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**STAND TO YOUR WORK**



# STAND TO YOUR WORK

## *A Summons to Canadians Everywhere*

By  
W. ERIC HARRIS, B.A.

*"Now must ye speak to your kinsmen and they must speak to you,  
After the use of the English, in straight-flung words and few,  
Go to your work, and be strong, halting not in your ways,  
Baulking the end half-won for an instant dole of praise.  
Stand to your work and be wise—certain of sword and pen,  
Who are neither children nor Gods, but men in a world of men!"*

*—Kipling.*

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TO  
AN INSPIRING COMRADE,  
MY WIFE

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## A FOREWORD

ON a small table in the library of my boy-hood home there was, always, a group of prayer books, hymnals, and similar volumes for the Sunday use of the family. Among them was one the cover of which I remember well although its inside, I think, I never knew. Across its front it had, in letters of gold—A Book of Devotion.

That is what this book is to me,—a book of devotion—in that it concerns a subject which claims to the utmost my love and sincere attachment, the subject of Canada, and of all things Canadian.

I am frank to say that I love Canada. This love was created, I think, in my boy-hood days when I was fortunate in having the fields, and woods, and waters of Bruce County as my playground; and it was further nurtured by lively family traditions emanating from the life in Canada of four generations of my family before me. I cannot remember when Canada was not held to my attention as my country, or when I was not taught an awesome respect and admiration for the Union Jack.

Lately this devotion was brought back to my realization vividly, and pleasantly. It was on a steamer from England, coming up the St. Lawrence on a rare day in the late autumn; not in the autumn only, but in that delightful, vagrant part of it which we know as Indian Summer. We had passed Quebec and were sailing up towards Montreal. On either bank of the river showed a mass of autumnal

trees in all the glory and beauty of their dying tints. Behind, on the north, rose the hazy, purple, majestic Laurentians against a sky of the clearest blue.

It's not in the power of my pen to describe it, but, to me, after only a short stay in the Motherland, it was Canada! It spoke to me again of Canada, of home, of my own people; and, whatever it said, I knew again that I loved it. I stood on deck and watched it, drank it in, until twilight brought to me the lights of Montreal.

Is it any wonder that the problems of Canada in its struggles towards a national unity are problems of much concern to me? It is in this spirit that I have written of them here. Whether that which I have written will be of value to others, as it has already been to me, I know not. But if, perchance, it may lead some few of the youth of our land to take the problems of their country for their own, it will have been much worth while. For me, at least, it has been already worth while, a work of devotion, of personal utility, and of surpassing interest.

W. E. H.

## CHAPTER ONE

### THE SPIRIT THAT IS CANADA

*Our Fathers in a wondrous age,  
Ere yet the Earth was small,  
Ensured to us an heritage,  
And doubted not at all  
• That we, the children of their heart,  
Which then did beat so high  
In later time should play like part  
For our posterity.*

—Kipling.

THERE is a story of Sir Stafford Northcote which, as well as anything, will serve as an introduction. Some fifty years ago he was leader of the Conservative party in the British House of Commons, and he was a man so universally respected for his nobility of character, and his sincerity, that it was said of him that “from him could come nothing low or mean”. On one occasion he gave an address on the greatness of Britain, of its wide Empire, its trade, its manufactures, and its many possessions. The following day *The Evening Standard* had this to say of it:—

Sir Stafford Northcote was quite wrong in his address last night. It is not wealth, and commerce, and manufactures, that make a country great, but the number of Sir Stafford Northcotes it can produce.

The moral for us, of course, is that regardless of the tremendous national resources we have in Canada, the future of the country will depend, not on our wealth, but on the integrity of the men which we can produce. If we fail to inculcate a

proper spirit into the generations which are here, and which are to come, the existence of all our great natural resources will avail us little or nothing.

The attribute which we know as the "spirit of men" is not merely a vague element in the character of a people, but it is of the very essence of their strength. It is something which has been always present in any people who have made their mark in history. It is that which made Sparta and Athens stand out far beyond any other parts of the then known world. It is that which gave the little group of English seamen the power to smite the mighty Spanish Armada. Cromwell and his Roundheads had it in their struggle for the freedom of the people. Garibaldi had it, and, in our own time, Allenby and Lawrence. It is always present when great deeds are done.

There are many signs, fortunately, that there lurks something of the right spirit in every good Canadian. In the short history of our country there have been many opportunities for the demonstration of the qualities inborn in our people. Throughout the hundred and fifty years, approximately, of French rule, and the later similar period of British rule, the spirit that is Canada has been evident on many memorable occasions. Every Canadian in these days should remember some of them, at least, and let the power of their example take hold of him.

Few years in our history are more appealing than the year of the American Revolution, 1775. The story of how the small colony of the Canadas, and



the settlements in the Maritimes, refused all the overtures of the rebels of the Thirteen States, and how, under Sir Guy Carleton, they withstood attack, is one which should thrill every one of us. By their loyalty in those days, and through their efforts, Canada was saved for us.

To more than any other man, perhaps, we owe to Sir Guy Carleton the preservation of our rights and privileges as an integral part of the British Empire. But for him we would be, to-day, only an addition to the present number of the United States of America. It is no reflection on our neighbors to say that we in Canada, now, are sincerely thankful that the British connection was preserved to us.

Carleton's own behaviour throughout showed the spirit of the man. Forced to leave Montreal before the pending arrival of an American army under General Montgomery, he and his one hundred and thirty officers and men, much too small a force to attempt the defence of Montreal with its lack of fortifications, boarded a flotilla of eleven small vessels, and sailed for Quebec, determined there to make their stand. But when they came near Sorel, on the south shore of the St. Lawrence, they found the Americans in force, and an American floating battery appeared from around a bend in the river, firing hard. Behind it came a flag of truce, and a summons to Carleton to surrender!

Carleton was surprised and knew that his little force was in an impossible position. But he refused to surrender and retreated up stream. Next day he realized still more that his fleet was doomed.

The enemy held the river both above and below him, and it would be courting destruction to attempt to run the gauntlet of the river and shore batteries in an attempt to reach Quebec. But he knew, also, that the successful defence of Canada depended upon his reaching Quebec. He decided to attempt the hazardous task of getting through alone, without his force.

That night he dressed as a *habitant*, from head to foot, with the tasseled *bonnet rouge*, the grey homespun suit, the red sash, and the *bottes sauvages*. A whaleboat, under the command of "Wild Pigeon" Bouchette, the most skilful navigator of the river, himself showing something of the spirit of French Canada, came alongside in the dark, and Carleton embarked. In the dead of night, with muffled oars, they glided quietly down the river. When they had to pass the nearest enemy battery, they shipped their oars, and paddled slowly past with the palms of their hands. It was a tense moment, when the great prize the Americans were after, the Governor-General of the Canadas, slipped through their hands. In a long half-hour all was over, the sentries still were undisturbed, oars were dipped once more, and, in the morning, the town of Three Rivers was safely reached. There Carleton met a British ship which carried him to Quebec. The disappointment of the Americans was intense when, next day, they captured the little British flotilla, to find that their real game was flown. The exultation in Quebec was correspondingly large at Carleton's arrival. This is how it was expressed by

Thomas Ainslie, then Collector of Customs and Captain of Militia at Quebec:—

On the 19th (a Happy Day for Quebec!), to the unspeakable joy of the friends of the Government, and to the utter dismay of the abettors of Sedition and Rebellion, General Carleton arrived in the *Fell*, arm'd ship, accompanied by an arm'd schooner. We saw our Salvation in his Presence.

Carleton's troubles were not ended. Soon Montgomery's army joined forces before Quebec, with the remnants of Benedict Arnold's army which had come up through the wilds of Maine. Of all Canada, Carleton held only the town of Quebec, little over one square mile. Montgomery sent a demand for surrender which Carleton altogether ignored on the ground that it was quite impossible to deal with rebels. The Canadian soldiers did not ignore it, and the answer they made was evidence of their spirit. They built a wooden horse, and together with a bale of hay, they placed it on the walls of the city, in front of the enemy. Beside it they erected a sign which read, "When this horse has eaten this hay, we will surrender."

For months Carleton defended the citadel and safely drove off a series of attacks. At last, on the 6th of May, five long months after the siege began, distant gunfire was heard from down the river; whether enemy or friend was approaching the garrison knew not at first, but soon the glad news spread that it heralded the coming of British men-of-war to the relief of the city. Carleton did not wait for them, but at once attacked, and the Americans ran for dear life. Canada was saved for the British connection! By the mighty power of the

British Navy, Carleton was enabled in the end to win the victory.

The history of Canada, before and since that day when Quebec was saved, is full of evidence of the existence of the same spirit shown by Carleton and his men. Every part of the country, to-day, can point to men of honour and of courage who contributed to the glory of the early history. Read, for example, the story of Pierre Gaultier de la Veréndrye, and of his sons, Pierre the younger, Jean-Baptiste, Francois, and Louis, and of his nephew La Jemeraye, in their voyages from Montreal, up the Ottawa, across the Georgian Bay, along the north shore of Lake Huron, past the Sault rapids, across Superior, and into the heart of the unknown wilderness, until they discovered Lake Winnipeg, and the Assiniboine, and built trading posts on their shores. Read of their hardships, of the difficulties of their voyages, of the murder of Jean-Baptiste by the Sioux, and of how his death only made the father and the other sons the more determined to add the western lands to the flag of Canada, and to find their way to the western sea. Read how they failed in the finding of that sea, but how they were the first Europeans to set their foot on the Rocky Mountains. Their's is a stirring story and it is from men such as they were that the French in Canada received their deep and reverent love for their country.

Or go thousands of miles eastwards, and come down through decades of time, and read of that man whom they called the Tribune of Nova Scotia, Joseph Howe. How, in his early manhood, he



travelled up and down the country, living with the people, and coming to know them and to love them. Read of his gradual acceptance of the work to attain responsible government for the people, of his struggles with the Governmental Council which, in Nova Scotia as in Upper Canada, was ruling without regard to the wishes of the people. How, at last, there was achieved, chiefly through his efforts, a bloodless victory for the people. No rebellion was there necessary! It was the glory of Howe that responsible government was won without any sign of armed conflict. He was proud of that fact more than of anything else, perhaps, and from his own pen we have this expression of that pride:—

The Blood of no brother, in civil strife poured,  
In this hour of rejoicing encumbers our souls!  
The frontier's the field for the patriot's sword,  
And cursed is the weapon that faction controls."

From generation to generation that same great spirit has been transmitted from Canadian father to Canadian son. Perhaps, before the war, there was reason to doubt that, but there is none now. No one who saw anything of the deeds of the Canadians in France and Flanders can be doubtful that the spirit of Canada still lives. It was evident every day of every month of those weary years of trench warfare, and in the more stirring days when great offensive actions were launched, or when it was necessary to hold the line against enemy attacks. Heroes were everywhere, and only a few of them received even a small measure of what was their due. It was impossible to know and record all the mighty deeds which were done for Canada, for freedom, and for civilization.

Just a few incidents may be mentioned. They are no more than a thousand others, but they may serve to recall something of the spirit of the men who fought for Canada on foreign fields.

Think of the dawn of an April day, at the foot of Vimy Ridge. Zero hour was fast approaching when Canadian troops were to attack up that hill which until that day was considered well-nigh impregnable. It was dark in that trench, and cold, and wet, and miserable. A company of Canadian infantry were spread along it waiting for their time to come, and the attack to begin. With the dawn came the opening of the terrific barrage from the supporting artillery. An officer, little more than a boy, stood under the parapet, gazing at his wrist-watch, with his men gathered close about him, eager to go, but with a trembling, and an awful excitement in their hearts. "Ready, men?" he asked, "One minute" . . . "Half a minute" . . . "Ten seconds" . . . "*For Canada, Boys!*" . . . "Over We Go!" . . . An answering cheer, half-wild remarks, "That's the stuff!" "Away we go!" "Come on, boys!" and over the top they went, straight for the enemy. Certainly, the spirit of Canada was there! No one who ever saw, or felt, such scenes as that but knew it, knew that beneath all the roughness and brusqueness of soldier life, there was a real abiding love for Canada, for home, and all that it meant to them. Only in times of stress and excitement did it emerge, but it was always there! The record of that day when Vimy Ridge was captured, and a glorious victory attained, will always be proof of that.

Another incident comes to mind, and it is one which may well be recorded, because of the real worth and character of the man whom it concerns. Major Talbot Papineau, at the time, was on the General Staff of Canadian Corps Headquarters in France. He had already seen much fighting with his battalion earlier in the war, and he wore on the breast of his tunic the ribbons of decorations won worthily by him for conspicuous personal gallantry.

He was a young man of education, of a rounded culture, and a great breadth of vision, who had before the war been deeply absorbed in the study of Canada and its problems. He would, had he lived, inevitably have become, it seems sure, one of the great leaders of French Canada. His was a personality as appealing, and as potentially attractive, as that of Laurier, whom he revered.

There came to Papineau a time of choice. During a period when Canadian casualties had been heavy, he was offered the command of his old battalion in the line. At the same time he could have had promotion on the General Staff within the Corps. The one offered him nothing but hardship and danger, the other comparative comfort and safety. He had already spent much of his time in the line, and there had demonstrated his courage and his unconquerable spirit. It was pointed out to him that his field of usefulness probably would be much wider on the staff than with his battalion, that there would be more scope for his undoubted ability. It was even suggested that Canada would have need of his services after the war in the difficult years of reconstruction, and that that was an

added reason why he should choose the staff work. By all the rules of the war game, he should have, perhaps, accepted the staff promotion.

But for him there was no choice. The call had come to him to lead the men of his old battalion, and nothing could dissuade him that his place was not with them. He gave up all his staff prospects, left the comparative comforts of his quarters and made his way to his battalion in the trenches. And he did it all in spite of the conviction which possessed him that it was more than his ease and his comfort that he was sacrificing. He knew, and so modestly said at the time, that if he went back to his battalion, he would be called upon to make the greatest sacrifice of all. It was not the only case in France in which a man had a definite premonition of the fate soon in store for him. Papineau knew it, but he did not flinch. He rejoined his battalion, and it was not long afterwards that, in leading his men to the attack, an enemy bullet made him, as it made so many others, a martyr to the cause of Canada. No one who ever knew Talbot Papineau can doubt that the spirit that is Canada still vivifies her sons.

Volumes could be filled in the telling of thrilling incidents of war-time France and Flanders. Every Canadian who was there could tell of such matters if he were asked. Thousands of them did unheard of deeds, the equal of any quoted in all the annals of the Victoria Cross. Phillip Gibbs, who knew and wrote of the war more intimately than anyone, knew this Canadian spirit, and admitted it. Here is something he wrote:—

"Blanched and haggard and worn, but with never any weakening of the grim brave spirit in them. After the capture of Hill 70, I bent over a man in a stretcher who was badly wounded in the thigh. "How did you get on?" I asked. He looked up and grinned, and said an amazing thing to me. "I enjoyed myself this morning, sir. It was a fair treat. I wouldn't have missed it for the world." He had a hole in his leg as big as my fist, and men had been killed on each side of him. That is the spirit of the Canadian soldiers, and it is no wonder that the enemy is afraid of them. In attack they are terrific, and in defence immovable."

Don't think that all the great spirit of the war, the bravery and devotion, was the monopoly of the private and the junior officers in the line. Those senior officers who had command of units, or who had the heavy responsibility of the staff, were just as brave, just as devoted as any soldier of the line. The same spirit gripped them as it did others elsewhere. From top to bottom, the Canadian Corps in France was such that it could justifiably thrill every Canadian.

At the top, during the latter part of the war, we had a man with a share of sound Canadian spirit as big as he was himself, Lieutenant-General Sir Arthur W. Currie, K.C.B., K.C.M.G., etc. If it were not that his services, and his greatness, have not, as yet, been fully appreciated by the average Canadian, there would be more hesitation here in quoting some of his actions as further evidence that the right spirit still vivifies Canadians.

He was, and is, a big man, and a man capable of large actions and great thoughts. Always before him he had the realization of his great responsibilities as leader of his own people in war. He knew that he held their very lives in his keeping, and always, he acted in that knowledge. Not an operation was allowed, not even a raid, in that Corps while he commanded, which was not demanded by urgent military necessity. He, like Lord Byng before him, spared his troops all that he could.

His attitude before Passchendale bears witness to this. Before the Canadians were moved back to the Ypres area in the Fall of 1917, in order to attack and capture Passchendale, several unsuccessful attacks had already been made. British corps had attacked, and failed. The Australian Corps had attacked, and not through any fault of their own, had been unable to win the ridge.

The mud was inconceivably awful. Men and horses sank up to their thighs in it all the long three miles or so up to the holes which served as the front line. Before troops could attack they had to plough through the fearful mud, under fire all the time, only to arrive at the jumping off place in an entirely exhausted condition. It was unthinkable that victory could come to them in such conditions.

General Currie received from the Army Commander his orders for the Canadian Corps to attack and capture Passchendale. By these orders, the Canadians were to try just what the others had failed to accomplish, and were to try it in the same way. General Currie knew that that would mean



practical annihilation of the fighting troops of the Corps, and probable failure in attaining the objective as well. Accordingly he refused, with all respect it is to be supposed, to accept the orders as laid down, or to allow the Canadians to attack under them. At the same time he stated his confidence that the Canadians could capture the ridge, but that they must be allowed to formulate their own plans for the purpose.

It took spirit to talk that way to an Army Commander. There were, indeed, rumours about headquarters at the time, for the accuracy of which it is difficult to vouch since only those concerned could know the truth, that the Canadian leader might be sent home for insubordination. At any rate he had his way, and he and his staff planned the attack.

First of all the Canadian Engineers were directed to build a plank road, over all that mud, right up to the line. This they did with the greatest dispatch and ability, and with a show of courage and bravery which brought, even from the sceptical infantry, a full measure of respect. As a result, although the road was always heavily shelled, our troops arrived at the front comparatively fresh and inspirited, and supplies and ammunition were rushed to them with greater celerity. On the morning of the attack two Canadian divisions gained their objectives, and shortly afterwards, the other two divisions passed over the heads of the first two, and successfully captured the ridge of Passchendaele. Currie's confidence had been proven, and his plans had been successful at a minimum

of cost to the Corps. By his stand before Passchendale General Currie saved thousands of Canadian lives. By his deeds should you know him!

The fighting at Passchendale was probably the worst, and most uncomfortable, the Canadian troops had during the war, although that is a rash statement to make to any troops which were in the other fights. To the participants, each fight was the worst of the war, and in a very real sense that is true. Mr. Percival Phillips, another well-known correspondent, had this to write of it:—

He limped in to the sand-bagged dressing station by Ypres, a muddy, tired, rather pathetic figure, in blood-stained bandages. A wounded man on the nearest bench greeted him as "Bill." Under his uninjured arm he hugged a German magazine pistol, and of this trophy he spoke in a husky whisper, between puffs of a dying cigarette. "It's a new one," he said, handing the pistol to his comrade.

"We went through the bloody village," he continued, "right through Passchendale, and over the hill like all hell alight; the devil himself couldn't have stopped us — hand us a cup of that tea; my throat's damn near cracked." I give this unedited narrative to show the Canadian spirit that conquered Passchendale, the climax of weeks of weary fighting in the swamps of Flanders. No human power could stay the rush of confident Dominion men across that pile of concreted rubble on the ridge above Ypres. They swept over machine guns and masonry, and scattered the Huns like sheep. It was the same fine steadfast courage which carried them through Courcellette, and up the scarred face of Vimy, and through the slag and pitheads to the gate of broken Lens.

Yes! just the same fine steadfast courage as carried their forefathers up the hill at Queenston



Heights, and along the road at Lundy's Lane. The spirit that is Canada was in them both!

Of General Currie, and his success at Passchendaele, as later during the wonderful hundred days which culminated in the capture of Mons by the Canadians early in the morning of Armistice Day, a great deal could be written. Just one thing more may be given, and it is given without remarks.

It is a copy of a general order issued by him during those anxious days of March, 1918, when the Germans had broken through the British lines to the south of the Canadian front, and when the future looked black indeed. Although no one said it, everyone in France had it in mind whether, after all, the enemy was going to snatch the victory. This is the order. Read it in the atmosphere of the army at the time.

### SPECIAL ORDER

By LIEUTENANT-GENERAL SIR ARTHUR W. CURRIE,  
K.C.B., K.C.M.G.,

Commanding Canadian Corps

27th March, 1918.

In an endeavour to reach an immediate decision the enemy has gathered all his forces and struck a mighty blow at the British Army. Overwhelmed by sheer weight of numbers the British Divisions in the line between SCARPE and the OISE have fallen back fighting hard, steady and undismayed.

Measures have been taken successfully to meet this German onslaught. The French have gathered a powerful Army, commanded by a most able and trusted leader and this Army is now moving swiftly to our help. Fresh British Divisions are being thrown in.

The Canadians are soon to be engaged. Our Motor Machine-Gun Brigade has already played a most gallant part and once again covered itself with glory.

Looking back with pride on the unbroken record of your glorious achievements, asking you to realize that to-day the fate of the British Empire hangs in the balance, I place my trust in the Canadian Corps, knowing that where Canadians are engaged there can be no giving way.

Under the orders of your devoted officers in the coming battle you will advance or fall where you stand facing the enemy.

To those who will fall I say, "You will not die but step into immortality. Your mothers will not lament your fate but will be proud to have borne such sons. Your names will be revered forever and ever by your grateful country, and God will take you unto Himself."

Canadians, in this fateful hour, I command you and I trust you to fight as you have ever fought with all your strength, with all your determination, with all your tranquil courage. On many a hard-fought field of battle you have overcome this enemy. With God's help you shall achieve victory once more.

(Sgd.) A. W. CURRIE,  
Lieutenant-General,  
Commanding, Canadian Corps.

Much less than this has made a reputation for many a man. Shall we withhold his measure of fame and respect to a man who had such a high regard for his responsibilities, and who achieved so much? The spirit that is Canada is in him.

It didn't need the relation of all these incidents to convince anyone that the spirit of Canada was abroad in Flanders, and in France, during the war; but it is good to recall them, and to tell them as some slight relief to the pent-up feelings of admira-

tion for all the greatness and sacrifice shown during those eventful days.

May the spirit which moved our forefathers, and which inspired our comrades in France and Flanders, be ever present in ourselves, and in our children, to strive for that Canada which has been so well beloved by all her generations.

## CHAPTER TWO

### IN A DELIGHTSOME LAND

*Wherefore through them is Freedom sure;  
Wherefore through them we stand  
From all but sloth and pride secure,  
In a delightful land.*

—Kipling.

THERE is one immutable fact which has had its great influence upon past Canadian history, and which will continue to have its influence upon Canadian development. That is the geographical fact that Canada, as at present inhabited, is a narrow, though ever-widening, strip of land stretching east and west for thousands of miles, from the shores of the Atlantic to those of the Pacific. Not only are there disadvantages accruing from the length and narrowness of this strip of inhabited land, but, and this is even more important in its influence, this strip is not even a continuous strip, but is broken in several places by nature, so that there has been a resultant development of different and distinct sections of the country, inevitably producing sectional difficulties, and fostering sectional interests.

Geologically, Canada may be divided into five main regions, and since geological factors have influenced development, it is essential to a proper understanding of Canadian problems, to acquire a familiarity with the nature of these regions, and with the trend of their influence.

Each of these five distinct regions have their own characteristic formation and resources. These are the divisions as generally accepted:

*The Cordilleran Region*—between the Pacific Coast and the Rocky Mountains.

*The Continental Plain*—between the Rocky Mountains and the Canadian Shield.

*The Canadian Shield*—or the Laurentian Plateau—the rocky formation which surrounds Hudson Bay and points its southern wedge into northern Ontario and Quebec, while its northern boundary is in the Arctic Circle.

*The Lowlands of the St. Lawrence*—which is the agricultural plain between the cities of Quebec, Que., and Sarnia, Ont.

*The Acadian or Appalachian Region*—comprising mainly the Atlantic Maritime Provinces and the Gaspé region of Quebec.

Visualize these five main regions of Canada's geological formation! It is obvious that their very existence must have influenced the development of the country, and created advantages and disadvantages which Canadians in the past always have had to consider, and which in the future, too, always will have to be considered.

So far as Canada is concerned the Cordilleran region is British Columbia. Geologically it extends southwards into the United States and Mexico where it has provided one of the great mining regions of the world, giving up, chiefly, treasures of gold, silver, copper, and lead. In British Columbia it has the same characteristics, and untold wealth in these minerals simply awaits the prospector and the miner. In no part of its four hundred miles of width and its thirteen hundred miles of length is

it impossible that great mining developments will occur.

Between the sea of mountains, there are fertile valleys capable of all kinds of agricultural production. That these valleys are a factor to be reckoned with in the future is shown in the fact that whereas in British Columbia there are less than three million acres of arable land occupied, there remain over nineteen million acres still awaiting settlers.

Perhaps the greatest characteristic of this Cordilleran region, so far as its influence upon Canadian development is concerned, is the existence, as its eastern boundary, of the great chain of Rocky Mountains. For long years these mountains proved a mighty and effectual barrier to communication east and west. Not until the spirit of the Fathers of Confederation created the Canadian Pacific Railway was the barrier conquered, in some degree at least, although it still remains a mute creator of many national problems.

Coming east, the second great geological region of Canada is the Continental Plain, that immense western agricultural plain which has commanded the attention of the world since the opening of the century, of which it has been said so often that it will become the granary of the world. To indicate it is all that is here necessary. It is obvious that for it the future holds much, and that the people who live on it now, and the greater number, who, in coming years, will find their homes there, will develop even to a larger extent than at present, their own sectional interests and resultant difficulties. They form a distinct section in the national whole.

Between the western plains and the older settlements of Ontario and Quebec, there is a vast country, uninhabited and, so far as agriculture is concerned, to a large extent uninhabitable. From the Lake of the Woods, across the north shore of Lake Superior to the Ottawa River, stretches the southern wedge of the rocky Canadian Shield. Although here and there, as in the large clay belt south of Timmins, there is available agricultural land, yet the region is mainly rocky, and covered with innumerable small lakes and rivers. It has great material advantages in its mineral deposits, which are yet to a great extent untapped, but it creates for Canada also the serious disadvantage of preventing continuous settlement between the regions of older Ontario and the newer settlements on the western plains. It is a barrier of distance, and monotony, between the developed sections of the country, and, as such, it is the creator of yet another series of national problems.

Of the St. Lawrence Lowlands, that older section of Canada which includes the ancient settlements of Quebec, and most of southern Ontario, little need here be said. Its characteristics, and the type of its population are well-known, and in it exist the larger proportion of the population of the country. It is only needful to point out how widely this section is separated, both in distance and by natural barriers, from the people of the western plains and of the Pacific Coast in the one direction, and from the people of the Atlantic Maritime Provinces in the other.



Then, at our farthest east, there is the Acadian region, with its group of Canadians living in the Provinces by the sea. They also are separated by natural barriers from the people of central and western Canada. They live their comparatively isolated life, loyal and interested in the national life, but affected by that national life in ways intrinsically different from their fellow Canadians elsewhere. They, too, have their sectional problems.

Such, then, is a summary of the geological features of our country, and it is apparent that they are such as to create for us many difficulties. Take a train at Halifax and you may travel north and westwards through the Maritime Provinces where about a ninth of the population of Canada live. You will spend a day and a night, then, passing through many miles of practically uninhabited lands, rocky and mountainous, which separates that group of Canadians from the settlements of Ontario and Quebec, where about sixty per cent. of all Canadians find their homes. Then, if you still travel west, you will spend monotonous days crossing the rocky Laurentian Shield, before you reach the great plains, to find there another distinct Canadian development boasting of almost a quarter of the population of the country. And before you reach the last group of Canadians, in British Columbia, about a fifth of the total, you will have to climb, behind your steel steed, the great mountain range of the Rockies.

There you have Canada! Four separate and distinct settlements, separated by rugged natural



barriers! Can it be wondered at that there are sectional differences, or that there are tendencies towards sectional development, as apart from national development? The wonder is, rather, that the sectional interests have not long ago had their way and destroyed altogether the ties which bind the nation together.

Akin to the difficulties inherent in the geological formation of Canada are those resulting from the tremendous distances between our east and our west. When it is necessary to live on a train for a full week, with all the expense incidental to that way of living, in order to travel from Halifax to Vancouver, it is to be expected that only the wealthy will do so. Because we are a land of tremendous distances we must reconcile ourselves to the fact that the great majority of our people, and this will be increasingly so in the future as changes of domicile become less frequent, will know intimately only a comparatively small section of the country, that in which they live. This precludes the possession of those aids to a national consciousness which would be ours if our population were as compact as is that of France or of Great Britain.

This is apparent in our lack of a national daily press. The distances make it impracticable for any newspaper, anywhere in Canada, to cover the whole of the country adequately. We have developed, accordingly, newspapers which reflect chiefly sectional interests, and necessarily so, since they have to find their reading public within the section in which they are located. It is not implied that our press does not attempt the consideration of

national problems from a national point of view. Sometimes, when they can rid themselves of their partisan political trend, they do achieve a reasonably national outlook. But, even if they were always successful in so doing, at the best they would influence only the people of their own section. Ever present, then, is the temptation to espouse too ardently the local interests for the sake of the local support, even when it is detrimental to the national good. That is one penalty we have to pay for our great distances.

Other disadvantages of the existence of long distances are obvious and need not be dwelt upon. The great cost of the necessary transportation systems, the cost and difficulty of an industry building up a national business, the delay before one section of the country can appreciate the feelings of another on any question, the otherwise unnecessary multiplication of governmental machinery, these are some of the difficulties placed on our shoulders merely because the Atlantic happens to be so far away from the Pacific, where they touch our shores. All of these factors, and many others with the same basis, have their important bearing on the development of our national life.

Apart from geology and geography, there is another element in the situation which, from the first, would appear to have been one the tendency of which would be derogatory to the growth of a national unity. This is the presence, now as in the past, of two distinct races within our borders. The fact that Canada was once New France and boasted allegiance to the rulers at Versailles, and that the

descendants of those first Canadians of olden times now total almost two and a half million people, or nearly thirty per cent. of our total population, are fast second in importance to none others in their bearing upon the problems of national development.

These people are Canadians; they have, indeed, a better claim to the name than any of the rest of us, and their loyalty to Canada never justifiably can be held in question. Never have they failed Canada at home and several times they have saved her. The French Canadian, in the years since Wolfe vanquished Montcalm, has well earned, and should now have, the respect and affection of every good British Canadian in the land.

Yet, having said that, it must be added that the very existence of another race within our national boundaries, and long may they remain there, speaking a different language, having different customs, and doing things differently, growing a religion differing from that of the majority of the rest of us, creates difficulties in the way of the development of the nation, and is ever a powerful, possible source of friction between influential groups within the nation.

We can recognize this to be the situation without condoning for a moment the actions of any man or group of men, be they political or industrial leaders or parties, who fan the latent sparks of racial difference to a flame for the sake of personal advantage. If a man cannot do something towards the development of a better feeling between the two great Canadian races, then he might better keep to himself what he might want to say, and

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refrain from doing what he might want to do. In that, he would be serving his country the better.

Another influence, and one which is becoming more and more powerful, which renders difficult the creation of an adequate national consciousness, is that, by the accident of our situation, we are the northern neighbors of an amazing country, rich in this world's goods, speaking the same language as ourselves, and one which has developed a national spirit more akin to "jingoism," perhaps, than any under the sun. The life lived by the people of the United States, so intensely and so vividly, and so close to us, must have a great influence always on our people. Later this influence will be discussed more fully. Now, it is sufficient to indicate it as one of the powerful influences mitigating against the growth of a national unity.

All these factors, however, which make it difficult for Canadians everywhere to grow together in understanding and affection, until is produced an ardent, live, and vigorous national spirit of our own, are no new factors. They have always been with us. Always, since the days of our earliest records, have there been these and similar difficulties for our citizens to meet in their efforts to create a nation. And always have they been met with a spirit, the very existence of which makes it inevitable that Canada will become the nation of which we dream.

Look back upon our history. Always there have been difficulties, always there has been great work to do, but always there have been men with courage to meet the difficulties, and with wisdom and vision with which to do their work well. In the years

immediately after Confederation this seems particularly the case. Sir Clifford Sifton pointed this out, in an essay he wrote early in the century, when he was still Minister of the Interior in Laurier's "Cabinet of all the Talents," and had not yet been knighted.

"Three great projects," he wrote, "were present to the minds of the fathers of our Confederation, *viz.*, the acquisition of Prince Edward Island, British Columbia, Rupert's Land, and the Northwestern Territory; the union of the Maritime Provinces with Ontario and Quebec by the Inter-Colonial Railway; and the union of all the Provinces by the construction of the Canadian Pacific Railway.

"When it is considered that the total cost of these enterprises, was not less than half as much, in proportion to the population of Canada at Confederation, as was the entire national debt of Great Britain, in proportion to the population of the United Kingdom, that the people of Canada were possessed of little acquired or accumulated wealth, being even at that time a large debtor in the money markets of the world and that they were only entering upon their national existence, it must be admitted that those who declared such plans to be chimerical had much to warrant their opinions.

"Nevertheless all of these plans were quickly carried out. . . . Unquestionably the overcoming of these obstacles and the establishment of efficient transportation agencies constitute the greatest achievement in our history."

Canadians in the past have met difficulties and overcome them. They have labored, and not in vain, to lay the foundation solid and firm for the building of a great nation on the northern half of this continent. We, in our day, have it in our power,

by the exercise of the same spirit, to build soundly upon the foundations which our Fathers laid for us.

In spite of all the difficulties, geological, geographical, racial, and what-not, which mitigate against the gradual development of a national unity, we have made progress towards the goal. So much progress, indeed, that we may be certain of this one fact, that the future holds nothing for Canada but the development of herself nationally. Canada will become, not an annex, politically or economically, to her neighbor on the south, but a nation among nations of the world, the peer of any and the equal of all!

Daily now there are evidences of the growth of our national consciousness. No section lags behind the other in cherishing and moulding that growth, and the best Canadians everywhere are helping where they can. Men like Sir John Willison help when they speak to a meeting as he spoke in New York last year to a meeting of Life Insurance Company Presidents. "The political destiny of Canada," he told them, "was one thing that was settled when the Provinces united in 1867 under a common government. These Provinces will not disunite from one another now, and neither will they separate from the mother country."

Even Henri Bourassa, whom too many British Canadians wrongly think a disruptionist and a sectionalist, can write in an editorial in his own paper, words which leave no doubt as to his desire to promote the unity of his country. "The ground, the only ground upon which some sort of moral and political unity can be achieved and maintained, is



the common devotion of all Canadians to their common country, Canada, the whole of Canada."

Editorially, the daily press all across the country express the necessity and desire for the promotion of a consciousness of country, and it is having its effect. Here is an extract from an editorial in the *Summerside Pioneer*, which tells us of the feelings of those Canadians in Prince Edward Island:—

We have our struggles, as our other partners in the union have, and there are many questions still deserving adjustment. As the oldest British and English-speaking part of Canada our stake is heavy, and our future should be as favourable as that of the other Provinces, but Canada is one and indivisible now and for all time. We have our differences; they can be adjusted by methods agreeable to civilized and rational men. We have machinery for enforcing consideration of our views; if we make use of it with reason and intelligence, it will give all that we are entitled to have, but back of all our striving there must be a common acceptance of something that is beyond controversy or question—the permanence of the Canadian Confederation.

In Ontario, too, we find evidences of the same spirit which speaks in the Maritimes. This, from *The Kingston Whig*, is evidence of it:—

Our noblest tradition is found in the triumphant fusion of two races which had at the start a background of separation and ancient antagonism. Mingled with that successful process is the epic of the pioneers—their heroic battle against the hostile forces of nature, their courage against isolation and physical discomforts, and their transmutation of a vast wilderness into the peaceful farm homes and prosperous communities of the Canada of to-day. About nothing could we be more confident, nor in anything else find more to stimulate valiant endeavour, than our national unity. From coast



to coast we stand firmly knitted together by a Canadianism which would carry us through any storm.

And on the prairies they are no more diffident about asserting the permanency of Canadian unity. *The Manitoba Free Press* speaks for the West, when it says:—

Canada, of course, is not going to disintegrate. Putting the maximum valuation upon whatever disruptive agencies there may be, they amount to very little in relation to the great volume of Canadian opinion which has no doubts about the future of this Dominion.

Joining the chorus also is the voice of British Columbia. This is an extract from a breezy editorial in *The Vancouver Province* which was brought forth upon the consideration of some pessimistic articles in the Montreal press:—

Cheer up! Let's go for a romp together, tongues out, eyes bright, our tails on our backs with an extra perky curl for good luck. Bring the whole East along with you. It has been moping too long. It needs brisk exercise and a course in optimism. Get its eyes off itself and its woes and on the West, where adversity is only a spur. We have had hard times on the Coast in our day and have been in the dumps now and then. But no one ever heard us croaking about our hard fate, or asking if Canada was worth saving. It never occurred to us to doubt that.

There's no need to multiply such extracts, or to quote the remarks of leading Canadians from coast to coast as could easily be done. Everywhere it is the same. Everywhere there is evidence of a greater, more potent, and more personal sense of the essential unity of Canada. We are a nation, and are fast beginning to feel the fact that we are so.

So that, in spite of all the influences, powerful and far-reaching though they be, which fight against

and make difficult the attainment of a full degree of national unity, yet we have won past them, and are well on our way to the journey's end. Unity exists now, sufficient at least to ensure the future, to make safe for ourselves, and for our children, the opportunity to build well for those who will later enter into the full national heritage.

Sir Wilfred Laurier played no small part in the development of the country and we can do worse than adopt the spirit which impelled him to speak these following words at Bowmanville, away back in 1899:—

We have endeavoured to carry on the policy of this country so as to make Canada a nation—a nation within the British Empire—a nation great in the eyes of the world. For my part, I want to see her lands occupied, her mines developed, her forests cleared, her fisheries exploited, her cities growing, her population increasing, but, above all, I want to see our people united.

## CHAPTER THREE

### THE WESTERN COAST

*And when you reach the Pacific, and look back over all the panorama that unrolls itself before your mental vision, you will not doubt that the country is destined to have a future. You will thank God that you belong to a generation to whom the duty has been assigned of laying its foundations; and knowing that the solidity of any construction is in proportion to the faith, the virtue and the self-sacrifice that has been wrought into its foundation, you will pray that you for one may not be found wanting.*

*—Principal George M. Grant, in 1887.*

IN British Columbia, Canada becomes a Pacific power; and that is the important fact to remember. Because of it, many problems which seem on the surface to be of merely Provincial scope, in reality become national in their importance, and in their potentialities both of profit and of trouble. And it is one of the stumbling blocks to the creation of an effective national consciousness, that the importance of Canada's Pacific problems, confined as they are in their first application to the most western Province, is not realized adequately by Canadians in the other Provinces.

In every Province, we have become accustomed to the existence of the United States to the south of us. But the great similarity in speech, in business and social life, and in customs and habits in general, has created an atmosphere which does not encourage in the minds of Canadians the thought that the people of the United States are foreigners. In fact they are so, but as such they are not generally regarded. Accordingly there is not, in Canada, a

general experience that neighboring countries harbour a different type of people in consequence of which international misunderstandings arise from time to time. There exists with us, to put it briefly, little of what might be called the international mind.

So that when Canadians, in the central or eastern Provinces, see complicated questions of Asiatic immigration arising in British Columbia, entailing as they do the necessity of international negotiations with foreign powers, the tendency is to ignore them from no other motive than a native inability to grasp their import, or rather, if you will, from a disinclination to give a little known subject sufficient time and energy to master it.

So opinion, in eastern Canada, hardly can be said to exist on this important Canadian question of Oriental immigration, which bulks so large in the minds of Canadians in British Columbia. It is a fact that can be only further evidence of the existing provincialism of Canadian opinion, and an indication of a narrowness quite incompatible with the assumption of a national consciousness. In this matter, we must all become intelligently interested if only to be prepared to give sound judgment upon problems which will inevitably face the country in the not far distant future, because of our occupation of the coast across the Pacific from the Asiatic powers.

What is the situation? Out of 39,587 Chinese in Canada, according to the 1921 census, there were 23,523 of them living in British Columbia; and of the 15,868 Japanese in the whole country no less

than 15,006 of them were in that Province. These figures suggest the proportionate importance to British Columbia of the problems which the presence of these people entail.

In so far as the Chinese are concerned, the question is not, perhaps, of immediate importance, in spite of the fact that the existing population of Chinese far exceeds that of the Japanese. But the Chinese have habits which do not tend to create the same difficulties as those of their Asiatic brethren. They do not, as a rule, bring their women-folk to this country, and, as a result, their birth-rate is small. Since 1904, a series of measures have been taken to restrict Chinese immigration, and in 1923 an Act was passed tacitly prohibiting the landing of skilled or unskilled artisans or laborers from China. Perhaps it is because of the lack of cohesion and strength in the existing government of China, that Canada has been able successfully to prohibit such immigration. But what of the future, when China will become, as she inevitably must, an organized, modern power?

For the present, the Japanese question is the more serious, chiefly because of the more energetic and adaptable character of the Jap, and also in respect to the character of that Government to whom he continues to give allegiance even when resident with us in Canada. During 1908, there were no fewer than 7,601 Japanese immigrants to Canada, a high-water mark which urged Ottawa to action. An arrangement was made with the Japanese Government by which it was agreed to limit the number of passports issued to Japanese

coming to this country to live. The agreement has been effective, to some degree, but, under it in the ten years ending in 1924, some 6,200 Japanese immigrated to Canada, many of them women. The result has been, that in the last eleven years, the Japanese birth-rate has increased from one to two hundred and fifty whites to one to thirteen whites. The Japanese have captured the salmon trade in the Fraser, they are the largest factor in the grocery trade in Vancouver, and they are becoming felt in a variety of industries, in every one of which they make it difficult for the white to retain his hold, because of his different standards of living.

Give the Jap his due as an industrious, frugal, and in many respects, a meritorious individual, yet he still remains a Jap, in custom and in language. He is not assimilable in Canada, for he still retains his citizenship and loyalty to the country of his origin. He is not disposed to accept a secondary position, and in pressing for what he considers to be his rights in Canada, it is not hard to imagine possibilities of friction with his fatherland across the sea. Already such friction has occurred in California, and it is only necessary to suggest that the problem of British Columbia is akin to that of California. Whether we like it or not, the problem is on our hands and it will become more serious as time goes on. It is not a British Columbian problem purely; it is a Canadian problem and must be considered as such by Canadians everywhere.

It is not all trouble to which Canada is heir because her western boundary is the Pacific Coast. If her old outlook has been east and south, her new



outlook must be increasingly western. That has been the direction of development since the dawn of history. From that British Columbia coast, Canada looks out upon, and has an open door upon, the future great trade highway of the world, the Pacific Ocean. Already our trade has been developing substantially with American ports, with Australia, and, to a greatly increasing extent, with Japan and the Orient. The mind is staggered with thoughts of the potential trade in China, when once that country can obtain the blessings of peace, and begins to demand the necessities of a western civilization. Think of the market demand of a country of some 436 million people, almost a quarter of the population of the whole world. Is any nation better situated than Canada, with her Pacific ports, to share in this, when it comes as come it will? Do you wonder that Canadians in British Columbia, with knowledge and dreams of the possibilities of the Pacific, grow impatient at the lack of vision, and resultant lack of interest, of Canadians in the other Provinces?

The Panama Canal construction has done for Vancouver and the British Columbian ports just what it has done for the western ports of the United States, for which it was primarily designed. It has made it possible for the most western parts of Canada to do business with the old world, and Canadians there have not been slow in grasping their opportunities.

In attempting to grasp them, they have grasped also the nettle of the railway freight problem, a problem considered to be a fundamental one.



Briefly stated, they believe themselves to be discriminated against in the matter of freight rates to such an extent that merchandise, and especially wheat, is forced through much longer eastern channels, so that the railways may obtain a longer haul. An indication of this is seen in the 1923-24 movement of the western wheat crop, as given in the *Canada Year Book*. Some 298 million bushels left the west through eastern channels, and only some 54 million bushels through Vancouver. Since that date the movement through the latter port has gradually increased, but it is the claim of the westerners that nothing like the proportion uses the port of Vancouver which would do so if the rates were equalized. From some portions of Alberta, wheat is carried by the railways to Fort William at a smaller freight rate than it is carried to Vancouver, although the latter port is only half the distance of the former. The railways claim that the extra cost of lifting the freight over the Rocky Mountains is the cause of the anomaly, and that explanation has for years been accepted, in eastern Canada, as probably the right one. Canadians in British Columbia have many answers to make, and not unreasonable ones. They claim to have attempted to remove the existing discrimination by heavily bonusing the building of the Canadian Northern Railway, on condition that the Province would have control of the freight rates. But when the Federal Government took over this railway as a war measure, it effectively destroyed the Provincial control over rates, and put the Province back under the control of the railways and of the

Board of Railway Commissioners. Having in view the fact that the Yellowhead Pass of the Canadian National Railways possesses low grades, the Province cannot see why that railway, of which they are part owners, should continue to charge high freight rates based upon the cost of the Canadian Pacific Railway in taking goods over the Rockies with the higher grades on their route.

This complicated question can be discussed here no further than to indicate that the Canadians in British Columbia have something in their arguments. It is a question of great importance to the country, and one which must be settled agreeably to the interests of all concerned in the cause of national unity. It will not be settled until Canadians in eastern Canada will go to the trouble to understand and appreciate the viewpoint of their fellow citizens on the Pacific Coast.

Of British Columbia, its people, and possibilities, and problems, a book could be written. With little over half a million population, it carries burdens such as are equalled by few of the other Provinces, natural burdens imposed by the rugged nature of the country making it difficult and expensive to build roads or to carry on social services, and artificial burdens such as the Pacific Great Eastern Railroad imposed upon themselves by a natural but over-reaching optimism. Much could be said of these, but the nature of the problems can only be suggested here in an attempt to transmit something of the viewpoint current in the Province. Typical of that viewpoint, of its approach to all things eastern, is this editorial from the *Vancouver Sun*.

It is the western answer to some pessimism in which the East was indulging at the time it was written. It was headed:—

“WHY EASTERN CANADA IS SICK

Wails of national bankruptcy are emanating from the eastern press which forecasts the ultimate downfall of the Dominion.

Before the opening of the Panama Canal, the entire business of the Dominion was handled in and out of Atlantic ports; the opening up and settlement of Western Canada made Eastern Canada rich.

Some idea of how dependent are the institutions of the East on western business is shown in railway earnings.

From July 1, 1906, to December 31, 1921, the net earnings of the entire C.P.R. system, Fort William east, were \$176,500,000. The net earnings from Fort William west, during the same period, were \$405,000,000.

Because there was a slowing up in western expansion and western business, the *Montreal Star* goes so far as to ask, “Can Canada be Saved?”

So far as the West is concerned it can not only save itself but can make huge profits for Eastern Canada and eastern institutions, provided the East will get into its head that Canada fronts on two great oceans, the Atlantic and the Pacific, and that the opening of the Panama Canal has made it more profitable for Western Canada to do business in and out from the Pacific.

Western Canada has paid the East through the nose for its previous development. But its future payments will depend upon whether the dominance of the East takes the tone of exploitation or of helpfulness.

Equalized freight rates, in and out from the Pacific, and the opening up of the Peace River will indirectly make huge profits for eastern institutions.

Until the East can see that fact, it will be sick.

The ailment of the East has been, and continues to be, its failure to visualize profit from a development which does not directly pass its own door.”

## CHAPTER FOUR

### ON THE PRAIRIES

*Three decades ago this was a great lone land, the frozen west, with its herds of bison and its Indian tepees, known to you only in the pictured desolation of its unending snow; now crossed and inter-crossed with railways, settled 400 miles from the American frontier, and sending north and south the packets of its daily papers from its two provincial capitals.*

—Stephen Leacock.

**I**N a room in the Government Building of the Province of Alberta there hangs on the wall a map which typifies the dominant factor in prairie life. It is a map of Canada across which has been drawn an irregular, broad red line. This line records the points farthest north at which wheat can be successfully grown. Time was when it was thought that what is now Northern Illinois was the district farthest north in which sufficient dependence could be placed upon the climate, to justify the sowing of wheat, in the full expectation of reaping it.

But, year by year, the possible boundary has jumped northwards, and even now it has not stopped. In the West, there is a period ranging from about seventy-five to one hundred and ten days, during which the farmer can reasonably expect a complete absence of frost. So that the only crops which can be raised are those which can mature from seed within the requisite period. Every day which can be taken off the period required by any variety to grow and ripen, means large additions to the wealth of the prairies.

So, here in Canada, the plant breeder has had a wonderful opportunity, and he has been able to contribute to the general prosperity most materially. Until Dr. William Saunders, and the Experimental Farm at Ottawa, was able to develop the world-famous Marquis wheat, the western farmer had been dependent upon Red Fife, and his crops of it had been often caught by an early frost, which reduced the grade, as well as the yield, of the wheat.

Marquis wheat was developed and introduced, and the prairie farmer then had a wheat which would mature about seven days earlier than Red Fife, and one which excelled the older wheat both in yield and in those characteristics which produce good flour. Experience has shown that on a ten-year average Marquis has out-yielded Red Fife by over five bushels to the acre. This increase, which sounds so small, means added wealth to Canada each year of probably one hundred million dollars. In addition, the fact that Marquis was available brought thousands of acres under the plough which would not otherwise have been cultivated. It meant the shifting northwards of that red line on the map in the Alberta Government Buildings.

Now we have another, and a better wheat, which has been given the name of Garnet, which is challenging the supremacy of Marquis. It will mature from six to fourteen days earlier than Marquis, and in yielding power, and in breadmaking qualities, it seems to be as satisfactory. If, under thorough investigation, it realizes upon its present promises, another new epoch in the development

and extension of the wheat belt will be commenced. The red line will move to the north once more. Who can say where it will ultimately stop?

These are the things which form the very backbone of progress in the western Provinces. These Provinces, of course, are dominantly agricultural, and are destined to remain so for many decades to come. Their chief wealth producer is the farm, so much so that, in 1923, agriculture accounted for 55.1 per cent. of the total net production of wealth in Manitoba, 73.6 per cent. in Alberta, and no less than 90.6 per cent in Saskatchewan. Is it any wonder, then, that all matters are judged chiefly in relation to their effect upon agriculture? Can it be expected that national policy will be judged except in its relation to this factor? The men on the prairies live by the farm, and it is natural that the welfare of the farm is their first and abiding interest.

In the growth of wheat, the western Provinces have forged ahead so rapidly that Canada has become the second largest individual factor in the world's production of wheat. Only the United States, of all countries, produces more wheat than we do. And, in Canada, the prairies are responsible for over 95 per cent. of the wheat grown (1923). These Provinces grow more wheat, per capita, than is grown in any other country of the world, but, and this is a matter of importance, where Manitoba only averages fifteen bushels to the acre, Germany averages thirty-three.

That brings us to the consideration of the disadvantages of the policy of continuous wheat pro-



duction. These disadvantages are so serious that, to-day, most agricultural research experts are working towards making possible the general adoption of dairying and livestock farming, as an additional asset to the growing of grain. The growth of wheat, year after year, is a serious and unnecessary drain upon the vitality of the soil, and the full dependence of the farmer upon the welfare of one crop brings heavy liabilities if things go wrong.

That "the West must adopt mixed farming" is a hackneyed remark of Easterners who assume that the West does not itself know what is good for it. The West knows very well that such advice is sound, but the West also knows, what the East overlooks, that there are great difficulties which have to be encountered, and many problems which have to be solved, before a wide and thorough application of the principles of mixed farming can be made.

Mixed farming, in the main, means dairying, livestock and poultry raising, and the West is making substantial and satisfactory progress in these lines. But it must be remembered that they labour under disadvantages due to the climate. Forage crops which are usual in Ontario, and in the States, will not mature in the West's short season, and satisfactory substitutes must be developed. More hay must be put up for livestock, and better housing conditions must be afforded than is necessary elsewhere. Corn, peas, and clover, a necessary diet for hogs, for example, can be ripened only with difficulty. These indicate some of the handicaps under which a policy of mixed farming is



placed on the prairies, but the optimistic, energetic, western Canadian is winning through in spite of them.

There is, in the West, a widespread appreciation of the advantages to be gained by a wider diversification of their farm produce, based upon a recognition of the disadvantages of having "all their eggs in one basket". They expect mixed farming to counteract the ceaseless drain upon their soil, to provide some of the necessary fertilizer, and to help a great deal in regularizing employment throughout the year. They know that whereas it costs 85 cents to deliver one dollar's worth of oats to Liverpool, and 60 cents to deliver one dollar's worth of wheat, yet it costs only 12 cents to deliver the same value of eggs, and only 5 cents for the same value of butter. Such things make them think, and the necessary action is being initiated.

Since so much agricultural produce is made available, much more than could be possibly consumed within the borders of the Prairie Provinces, a market must be found for it somewhere in the world. Because of that necessity, the transportation and marketing problems are secondary only to the production problem itself, and their importance is always emphasized in the West. Unless the transportation and market arrangements are efficient the West cannot compete in the markets of the world.

Their transportation troubles are legion and their complaints have usually proven to have been well founded. What has been said in the matter of

freight rates in regard to the Pacific ports applies also to the situation on the prairies. Everything which promises to provide cheaper transportation for their produce to the markets of the world, has intense interest for them.

The Hudson's Bay Railroad is a case in point. In the West there is little doubt but that it would be a most successful venture, from the commencement of its operation as a finished entity. Certainly, there is throughout the West a more general and more intelligent appreciation than elsewhere of the merits and demerits of the proposal. It is not a wildly optimistic idea with them, but, so they consider it, a careful judgment based upon all the factors bearing upon the case, both those unfavourable and those favourable.

The question whether the Hudson's Bay Railroad should, or should not be finished, cannot be discussed fully here. It is a large question and one upon which a definite and right opinion could be formed only after rather exhaustive investigation chiefly upon the ground. But the East should become impatient with the light and uninformed criticism which is current in many circles in this regard. It is reminiscent of nothing more than of those extraordinary forecasts of doom and failure which were made previous to the building of the Canadian Pacific across the continent. It was never going to get there, and, if it did, it would be useless anyway, for very lack of traffic! The extreme criticisms of the alarmists of those days are laughable to-day, and it is not much over fifty years ago. No one should be too sure, that, in a

few years to come, the Hudson's Bay Railroad will not have shown sufficient cause to make the present-day alarmists also ridiculous.

When any plan is proposed by responsible men, and upheld by responsible evidence, and supported by a large section of the country, and when it is a plan which would effect a saving in distance of over a thousand miles in the transportation of western produce to British markets, it is not well for the nation for other sections to pour scorn upon the proposal, especially when it is apparent that their interest might, superficially, be affected detrimentally by the adoption of the plan. The plan deserves, and must have, fair and impartial treatment, and if it is found to be sound, and likely to promote the national welfare, then the whole of the nation's resources should be pledged to its fulfillment.

A sufficient answer to all unfounded, and uninformed, criticism of the route should be the fact that a special committee of the Senate of the Dominion held an inquiry into the matter some years ago, and declared that the route was feasible, and probably would be profitable if proper aids to navigation were installed. In the light of this, let it be investigated properly and handled as something directly affecting the welfare of the nation. It is just as much a question of national importance as is the maintenance of the St. Lawrence waterways, or of the harbors of Halifax or Vancouver. The people of the Prairie Provinces are entitled to have it treated as such.

In other matters, also, which affect the western Provinces, such as the necessary adjustment of

freight rates, the marketing of their coal, the control of their own natural resources, and the encouragement of the growth of manufactures, Canadians elsewhere should make especial efforts to understand the claims put forward. It should be assumed always that when any section of the country unites behind any demand, that there is generally a good deal to be said for it. Certainly it does not promote the national welfare for such demands to be lightly dismissed by the rest of the country, as something light and passing. One of the great needs of the country is the provision of adequate channels by which each section can understand the needs and thoughts of the other sections. In the absence of a national daily press, it is difficult to achieve the result, and the only alternative is that good citizens everywhere endeavor to understand Canadians elsewhere.

Many hasty judgments are made of matters affecting the West, because it is felt that their politics, and their attitude towards things in general, are so radically different from what in the East is considered normal. But one basic factor should be remembered, and it is the factor which underlies all the politics of the West. The people there exist on sale of wheat and the other farm produce they produce. This produce must be sold, chiefly, in the world's markets at prices over which the producers on the prairies have no manner of control whatever. They cannot say at what price they will sell their goods. The only thing which they can control, to some degree at least, is their cost of production, and unless this can be kept below the price at which they have to sell, there can be no

profit in the occupation. Therefore they look with worried faces upon everything which tends to increase the cost of production of their agricultural products. The cost of their machinery, the cost of their own living, the freight rates they have to pay, the middlemen who share in the profits, all are factors which mean the difference between profit and loss to them.

That is why the man on the prairie has become a politician, and has made of himself, on the average, perhaps the best-informed citizen of Canada. It is in the light of that ruling factor that all their actions should be judged, that their political ideas can be understood, and that their co-operation for the national welfare should be sought.

For the co-operation, and whole-hearted support of the two million Canadians on the prairies is essential in the creation of a united, prosperous Canada. Canadians there can make contributions to the common good which can come from none other but them, contributions of western optimism, of high courage, and of boundless faith in the future and in ourselves.

In the language of Henri Bourassa, who, of all Canadians, is at least a nationalist, and a promoter of co-operation, "We, of the East, should cease to regard the Western Provinces as in days gone by England looked upon her colonies; profitable fields of investment, trade, and exploitation for the parent state."

If we do not cease to so regard them, the western Provinces will refuse emphatically to be so regarded. Then, it will be found that the West will be quite capable of looking after itself.

## CHAPTER FIVE

### THE PROVINCIAL PROVINCE

*We in Ontario have all the natural opportunities for establishing and maintaining a great and prosperous community which will always be the keystone of the national edifice in Canada. At the same time, we have an energetic and intelligent population, full of faith in the country and keenly alive to the value of British Institutions.*

—Hon. Howard Ferguson.

THERE is not a great deal to say of the problems of Ontario in so far as it is necessary for Canadians elsewhere to understand them. For Ontario, being the largest in population, and the wealthiest Province of the Dominion, is able, now as in the past, to command the solutions to her own problems.

Men from Ontario have done much to build up the other Provinces, and have been able to implant in them something of those qualities which Ontario has inherited from the wonderful men who were her pioneers.

From them, and chiefly from that group of Loyalists who left the States during and after the War of the Revolution in order to continue their life under the British flag, the people of Ontario have received that deep tradition of loyalty to the British connection which is apparent throughout the Province.

By inheritance, and by training, too, we have an aptitude for self-government, and a love of freedom and personal liberty, which is still existent, in spite of much evidence of its apparent decline.



Our people have ability in what they undertake, and have also that measure of adaptibility which is a necessary and useful characteristic in the development of a new country. We have been able to maintain our leadership among the Provinces in population, in the value of our agricultural products, and in our mineral production. We are, on the whole, in that situation in which any problems we may have can be taken care of very well, and Canadians elsewhere need not concern themselves too much about them. We have, indeed, time to give our aid to the solution of the difficulties of the other Provinces for the national good.

Now, most Ontarians will be quite pleased at reading such paragraphs as the foregoing, feeling that they have a definite part in all the virtues of the Province. Many will not even realize the smugness, and self-complacency, which exist behind talk such as this. They will not see, and cannot realize, that much of their attitude to the rest of the country, and towards the national difficulties, is tinged with a good deal of an unconscious superiority which would surprise them if they knew of its existence.

We, in Ontario, are a strange and perverse people. We never doubt for a moment that our attitude to any question may not be the right one, or that there may be phases of it that are not wholly true. We wonder, in our modest way, that the rest of the country does not see as we do. Why are they so different? Why cannot they see these things which are so evident to us? We go about our daily business professing brotherly love for all Canada, but



our idea of brotherly love is somewhat akin to the attitude of the man who favored church-union so long as it meant everyone joining his church.

This being the case, can we wonder that at times we see indications, which we profess not to be able to understand, of the unpopularity of our Province amongst the other Provinces which make up the Dominion? We cannot understand it, and the reason why we cannot do so is that there is a decided aversion amongst us to admit that we might find the causes if we looked more closely within ourselves.

It isn't vanity, and it isn't conceit, that is accountable for our attitude. It is simply that we have developed a narrow provincialism to such an extent that it simply does not occur to us that our preconceived ideas, and traditional explanation of things, may after all be wrong. It is time we recognized the provincialism of our outlook, and tried to develop a little more of that very broad-mindedness which, in our blindness, we suppose ourselves to possess above all things.

This attitude of ours is discoverable in practically all our relations with the other Provinces. It will be enough, here, to indicate it in connection with our decisions and actions arising out of the fact that we live side by side with our fellow-Canadians of French descent. Where has our provincialism led us to in this regard?

We British-Canadians possess a sense of racial superiority which seems to be innate in us, and which we do not acknowledge even to ourselves, except where comparisons are extreme. Deep-

rooted in us is a feeling that the man who speaks a foreign language, who belongs to another race, must be inferior to ourselves, and we treat him, in spite of ourselves perhaps, with a mixture of a little pity and a small contempt. Whether we have openly shown to the French-Canadian this sense of superiority, or have subtly inferred it, nevertheless he feels its existence, and this does not help the development of that co-operation which is essential to the national welfare.

That is one of the ways in which we are provincial. We feel a superiority which we could not reasonably support with evidence, and, not doubting the rightness of our feelings, we act on them. We do not give our French-Canadian brother the credit for being the able and cultured man he is. We ourselves become more American each day, and it is well for Canada that we have in Quebec a people who hold fast to the older, sounder traditions of life. The attractions of materialism do not take hold of them as they do of us. There, there remains something of the good old-fashioned qualities of civility, and politeness, and reverence. There, there remains a sense of the beautiful, a love of song and legend, an attachment to duty, and an enthusiasm for the things of their race which is second only to the enthusiasm they have for their religion. There, they still put their religion first in their lives, and it remains a power and a force in their day-by-day routine.

These are the people to which we self-satisfied, materialistic, dour Ontarians deign to feel superior! Rather should we be studying them, with our hats

in our hands, trying to learn something of those qualities which make them the equal of any people on the continent.

We are fond, too, of that reputation which we impute to ourselves, for the love of "British fair play"; yet, here too, we delude ourselves. That spirit of fair play, we always think, is evident particularly in the way British people protect the rights of any minority. In the Empire haven't minorities always been protected? In Confederation, was not the French-Canadian minority given adequate protection for their rights? We repeat these questions over and over to ourselves, and then are content to abide by our own decision that our desire for fair play, is, and must be, evident to all. And just when we are so complimenting ourselves, we are backward in seeing that we are being actually fair in all our dealings.

When the Provincial Government, with our consent and general approbation, issues such instructions as the notorious Regulation Number 17, in regard to the use of French in French-Canadian schools, are we playing quite fair with the minority race in our Province? Are we not, rather, sitting idly by, and allowing our politicians to accede to the demands of a noisy crowd of partisans, disregarding the fact that the action is taken in relation to its effect upon the votes at the next election, rather than in relation to the fairness of the regulation as it affects those to whom it is directed? Is there any fair and reasonable man who has investigated the conditions surrounding the issuance, and continuance, of this regulation who has not concluded that it

exists to satisfy political contingencies almost entirely? If that is so, then we are not playing fair with the French-Canadian minority when we allow their educational privileges to be tampered with, not in regard to a feeling for their welfare, but because their feelings and desires must be sacrificed in order that the votes of an extreme and bigoted group might be retained for the party.\*

We should have no patience with those amongst us who speak with alarm of the migration of numbers of the French Canadians to the lands of Northern Ontario. What makes it alarming? Is it a crime against us, and against the Dominion, that the population of Quebec should be bursting the bounds of its Province, and be spreading out through the country? Was there anything in the Confederation, or in its spirit, which intimated that they must keep to Quebec? Have they, as French Canadians, any less right to move about Canada than we have, as British Canadians? Are they to be persecuted when their only crime is fidelity to their race and to their Church? There can be only one answer to all these questions, and that an answer which admits their entire equality with us as Canadians. All the rights we have in Canada are their's also!

We would far better be engaged in trying to understand the French Canadian better than we do, in trying to speak his language more than we do, than we are in spreading unfounded and unintelligent cries of alarm at what he is planning to do

\*The author notes with a certain admiration that the Minister of Education for Ontario has been pleased to comply with the recommendations of an investigating committee for a modification of the application of the principle contained in Regulation No. 17. The spirit of the action so taken is entirely commendable.

to us, of how he is planning to dominate us. A spirit of co-operation would carry us a great deal farther along the road to national unity and progress than will our present feeling of tacit antagonism. It would be better if we could inculcate in ourselves something of the feelings of Sir John A. Macdonald when he said:—

I have no accord with the desire expressed in some quarters that by any mode whatever there should be an attempt made to oppress the one language or to render it inferior to the other; I believe that would be impossible if it were tried and it would be foolish and wicked if it were possible. The statement that has been made so often that this is a conquered country is *a propos de rien*. Whether it was conquered or ceded, we have a constitution under which all British subjects are in a position of absolute equality, having rights of every kind, of language, of religion, of property, and of person. There is no paramount race in this country, we are all British subjects, and those who are not English are none the less British subjects on that account.

Doubtless many Ontarians, reading what I have to say of them and of their attitude towards the French Canadians, will say to themselves, "But he overlooks the power of the Roman Church, and its dreadful designs to dominate Canada, and to put itself in a place of power over all of us." I don't overlook it; and although I cannot believe the doctrines for which that church stands, and although I am not an adherent of that Church, yet I fear no such things from them. The greatest part of the talk in Ontario about possible domination by the Roman Church is talk put out by partisans for partisan purposes, and only has its power by virtue of the same rank provincialism of our outlook which has been earlier indicated.

The Roman Church amongst the French Canadians has its faults; so have the Protestant Churches among ourselves. It would be better Christianity, and certainly better for the development of a national unity, if there was less agitation against the inferred designs of the Roman Church, and more earnestness about participation in the work of our own churches. If the work of the Roman Church is a sinister influence, and there is little sound evidence that it is, then the proper place to fight it is in the work of our own churches, by making that work so efficient, so full of results, that there will be no room left for the growth and expansion of the rival church. That is legitimate rivalry, and the only opposition to the Roman Church which is legitimate, and in keeping with the spirit of Him whom all the churches worship.

We have in Ontario an organization which seems to exist, at least the general public so think of it, only to oppose the designs and extension work of the Roman Church. The reference is to the Orange Lodge, and there need be little hesitation in saying that, from a national viewpoint, from the viewpoint of the promotion of a wide national consciousness, it is distinctly and emphatically a detriment to the country, and an organization which, in this regard, should not have the support of true Canadians. It is constantly putting up straw figures for the purpose of publicly and forcibly knocking them down, with the accompaniment of all the notoriety that is possible for it to acquire. It is constantly preaching the necessity of a loyal co-operation in the promotion of the country's welfare,



and, at the same time, keeps itself occupied in sowing seeds of discord between its members and their fellow-Canadians of Quebec.

It practises all the wiles of the demagogue, and becomes in many instances, as in Toronto, little more than an adjunct to the political machine of one of the political parties. Its agitation against Quebec, and against the Church of the people of Quebec, serves chiefly, and one is inclined to believe that it is so designed, as a cementing force to keep the organization together. Were it to drop such agitation it would have, perhaps, no sufficient basis by which its demagogues could acquire the necessary authority with the uninformed masses of its members.

This is the kind of statement in which it indulges. It is one made by a chaplain, no less, before a picnic crowd of an Orange Lodge near Toronto.

"The papacy provokes discord among our citizens," he stated, "it throws the mantle of suspicion on anything non-papish and belittles everything Protestant. It interferes with community life and makes national unity impossible, and there never yet has been concord among any people where the Roman power has got a hold.

"It was Rome that started the civil war in Italy. It was Rome that fostered the revolution in France. It was Rome that fomented dissension in Mexico, and it was Rome that drove the Russians to Bolshevism; and all that she has done in other countries is but indicative of what she is planning to do here."

If it is thought that this ridiculous conclusion is not truly representative of the talk that is promoted by this organization, perhaps a statement from the Grand Master of the Orange Order will be more



conclusive. The Hon. J. W. Edwards, who was quoted as holding that position, was also quoted in the *Toronto Daily Star* as follows: "Dr. Edwards prefaced this statement with a renewal of the charge that there was a determination on the part of Romanism eventually to divide Canada setting up a separate French-Canadian section."

What can we say to such language? What can we think of an organization which publicly proclaims such things as the reasons for its existence? So far as Dr. Edwards's assertion is concerned, there could be nothing in this connection which would be more probably wrong. So far from Quebec desiring to break up Canada, the truth is that that Province would be the first and foremost to defend the integrity of the Confederation pact if for no other reason but that it is there that it has protection for the privileges it enjoys. Quebec could gain nothing by division and, in promoting it, it would be risking the loss of much that it now has.

But the truth of any assertion, or the soundness of any argument, seems to be of little concern to those who do not heed the effect of their words upon the minds of a large section of Canadians and who thereby show themselves quite heedless of the national welfare.

Enough has been written, perhaps too much, of such an agency as this which succeeds only in promoting discord. They are only successful because of that factor in our nature which has been already indicated, our innate provincialism. If you do not credit that, explain then, please, why the Orange Order can make little headway in England, al-

though there the Roman Church is developing fast, and making more progress, perhaps, than it is doing elsewhere. Is it not that the English are sufficiently broadminded to see that that Church's growth in modern days, and under modern conditions in an Anglo-Saxon country, cannot possibly threaten the liberties or privileges of the citizen; and that they realize that the promotion of civil discord is something to which a patriotic citizen cannot lend himself? Would we not be more wise if we followed the English lead in this regard?

Or, better, follow one of our own great Canadians, Sir Wilfred Laurier! It is only some thirty years ago that he, a Roman Catholic, refused to follow the dictates of his Church on the Manitoba school question; and it is instructive to recall that the stand he took in opposition to the Church was upheld by the people of Quebec to the extent of sending him back at election time with forty-eight out of a possible sixty-five seats supporting him. Even in Quebec, the Church, which is supposed to be so dominating, could not command more than seventeen seats when the fight came! That spelt the death knell of political domination in Quebec by the Church, although we, in Ontario, do not seem to believe it as yet. When Sir Wilfred announced to the House that he was taking his stand in opposition to his Church, he made a very notable speech. In it he used these words, and they have in them something of the spirit we Ontarians should adopt in the consideration of all politico-religious questions.

“So long as I have a seat in this House,” he said, “so long as I occupy the position I do now, whenever it shall become my duty to take a stand upon any question whatever, that stand I will take, not from the point of view of Roman Catholicism, not from the point of view of Protestantism, but from a point of view which can appeal to the consciences of all men, irrespective of their particular faith, upon grounds which can be occupied by all men who love justice, freedom, and toleration.”

## CHAPTER SIX

### OLD QUEBEC

*Let them feel . . . that their religion, their habits, their prepossessions, their prejudices, if you will, are more considered and respected here than in other portions of this vast continent; who will venture to say that the last hand which waves the British flag on American ground may not be that of a French-Canadian.*

—Lord Elgin.

IT is not pleasant to place the French-Canadian among that unfortunate group of people who are “misunderstood,” but there, nevertheless, he belongs. For most of the problems of Quebec are problems which arise from the fact that the rest of Canada has no adequate understanding, or appreciation, of French Canada or its people. Their domestic difficulties they grapple with fairly successfully, and the interior provincial administration of Quebec stands second, in efficiency and thoroughness, to none of the other Provinces. But in the domain where they have not complete control, which is in their relation to the rest of the country, there exist problems which are difficult for them to solve, because the nature of their contribution to the solution is not understood by the other citizens of Canada with whom they must work.

Quebec, then, above all things, needs to be understood and appreciated by Canadians elsewhere. Looking at that same need from the opposite viewpoint, it is apparent that we British-Canadians, in order that we might aid Quebec in promoting the common unity, must know and appreciate the people of that Province better than we do.

The French-Canadian has an identity of his own which is by no means colorless. He has been able to show that happiness does not consist in what a man has, but in what he is, and, in knowing that, he has had the secret of contentment and happiness. Dr. Bracq has said of him that:

The French Canadian, though not indifferent to material values, honours, above all, religion, refinement, manners, and altruism. While loyal to Great Britain, he clings to his language, to his laws, and to his faith. He lays stress upon eternal values. He loves every instrument of his survival—his schools, his colleges, his universities, his social life, his literature, his art, and is second to none in philanthropy. He has less money than Anglo-Canadians, but more contentment. He adheres to his agricultural life, not as the quickest avenue to wealth, but as the best way to make men devoted to country and to God."

The usual life of a French-Canadian village reflects qualities in which, if the inhabitants were not so modest, they could take great pride. They are kindly and hospitably inclined to family and to traveller alike; they are industrious and able in their work; they are distinguished for a courtesy and politeness such as unfortunately is only too rare in the communities of other races on this continent; and, amongst them, crimes against person or property are almost unknown.

Conservatism, in nature and not in politics, is of the very essence of French Canada. Their people tend strongly to look backward at things as they were, and to find their ideal in the past rather than in any idealistic future. An incident, which will serve to picture this, is told of a young farmer who began to cut his wheat with a scythe instead

of with the slower sickle which had always been used; but who was admonished by the head of the family for thinking that he could do better than his father! That is somewhat typical of the general outlook. For centuries, the Church has inculcated in them a dread of new paths, has trained them to accept only the leadership and instructions of her priests, and has, in so doing, been instrumental in placing in the race that dominant conservatism which is now inherent in it.

As a result, Quebec reacts to the economic and plutocratic tendencies of the time differently than do the other Provinces, and is less affected by them. It maintains its eternal values in the face of these destructive tendencies. As one beneficial result the working classes in Quebec are the steadiest on the continent, less prone to strikes and other indications of industrial unrest, and so living as to well deserve the epithet used of them in the Montreal press of "a sane people."

Their conservatism is shown, also, in their great love for their land, which results in an absence there of the great problem of Ontario, that of rural depopulation. Records give an indication of the fixity of the agricultural population when they show that in 1916, there were some 1,400 farmers living on the same lands on which their ancestors lived before Wolfe captured Quebec. Farms are handed down from father to son with pride, and we find Canadians there of the eighth, and ninth, and even the tenth generation living upon the same farms as their ancestors before them. What other part of Canada can show such a record?



The French-Canadian, too, is proud of his race. His is no "inferiority complex" and in no sense does he admit the inferiority which is often imputed to him by some British-Canadians. I like to think of Laurier speaking up for himself and his fellows in answer to a jibe made by Mr. D'Alton McCarthy, a member of the House, who referred to the people of French Canada as "a bastard race." Laurier's answer was unhesitating, fearless, and, withal, dignified.

"He is proud of his race," Laurier said, referring to McCarthy, "he has reason to be, but it does not follow that we should all be English-Canadians, that we should all be melted into the Anglo-Saxon element. Surely no one respects or admires more than I do the Anglo-Saxon race; I have never concealed my feelings in that respect, but we, of French origin, are satisfied with what we are and we ask for nothing more. I claim for the race to which I belong the right to say that if it is not endowed with the same qualities as those of Anglo-Saxons it is endowed with some just as great; I claim the right to say that in some respects it is endowed with sovereign qualities; that there is not under the sun a race more moral, more honest, and, I will say, more intelligent."

The courtesy of Laurier's reply was as typical of his race as was the impulsiveness of McCarthy's remark of his.

The prolificacy of the French-Canadian race is amazing, and is a characteristic which has been transmitted through the centuries since the days of early French colonization when population was an urgent requirement for defence and for development. So much was then done to encourage large families that it developed a racial trait, which to-day



has become a national advantage. Next to Roumania, Quebec has the highest birth-rate in the world, and it is to their eternal credit, that, accompanying that, they can boast of the largest proportional survival in the world. Dr. Bracq, in his book on "The Evolution of French Canada," gives some interesting records of large families. Montcalm once wrote that a soldier of his army had 250 descendants. The grandfather of Cardinal Bégin, at his death, had 324 direct descendants. Prime Minister Ouimet was the twenty-fifth child of his family. Abbé Camille Roy is one of a family of twenty. Chanoine Emile Chartier, the Vice-Rector of the University of Montreal, whom we shall have occasion to quote later on another subject, says that his family was one of four successive generations with seventeen children each. An extraordinary people, and a great race!

It is a familiar remark with us that Quebec is dominated by the Roman Church, and this is undoubtedly so to a greater degree, perhaps, than in any other country under the British flag. But there are limits to that domination, which become apparent when a man, or an occasion, call them forth. Many influences have reacted in the past to create a clerical domination to an extent seldom seen in a country where the average intelligence is so high as it is in Quebec. The unity of language, the predominance of agriculture, the isolated parish life, the resources of the Church itself, the introduction of English law and rule, the violent spirit of Orangism and that of other extreme Protestants, the attempted domination by British interests in the

past, and, above all perhaps, the personal attraction of the clergy, these are the factors from which emanated the great influence of the Church in French Canada. The Church has practical control, not only of the religious life of the population, but of much of its social and civic life as well. It directs the education of the people of the Province, and has much to say, too, in the political life of the people.

But it is a mistake to overrate the influence of the Church upon the present political life of the Province. The great struggle by the Church for political control took place some years ago, and the Church was defeated, never again fully to recover the political domination of its people. For a long time the people of Quebec were a unit on the Conservative side, and it was to the obvious interest of a reactionary church to keep them there. Then a small group of young men of liberal opinions appeared, and soon earned the enmity of the Church. They became known as the "rouges," while the church party, Conservatives, took the name of the "bleus," both names being derived from a slogan, the English version of which is "Heaven is blue but hell is red," which is in itself informative of the nature of the contest. The fight went on until the rise of the Liberals to office under Laurier in 1896. This was accomplished despite the opposition of the Bishops, and the great influence of pastoral letters, and of general episcopal opposition. It showed then that the Church did not possess supreme control, and that is a precedent in the politics of Quebec which British-Canadians would do well to remember.

The greater dominance in the life of the Dominion of the Anglo-Canadian over the French-Canadian is often loosely considered to be caused by greater capacity and industry. It is not necessarily so. The great fact which must be taken into consideration in this connection is that, since the conquest of Quebec, the Anglo-Canadian has lived under administrations sympathetic to him and which gave him much material help, as a study of the money spent on Canada by successive British Government would prove. He has had a practical monopoly of business and administrative opportunities. The French-Canadian suffered much of what conquered races usually do, for it is not true, as it is generally inferred, that the French-Canadian did not suffer after the country came under British rule. The treatment they received was so rigorous, and the place to which they were relegated so inferior, that it is only in modern years that they have been able to compete with the Anglo-Canadian on anything like an equal footing.

What was the real situation of the French-Canadians in the years following the Conquest? Quebec was in ruins, its homes, monasteries, and public institutions practically all destroyed. Farm houses throughout the country had been burned and the agricultural implements and tools had disappeared. Their paper money sold to British traders at a discount of over 90 per cent. They had lost their leaders, many of whom had been killed, and many of those who remained after the fighting had returned to France. Their churches in Montreal and in Quebec were seized and used for Government

stores. The property of the Recollets, for example, was taken and their land given to build the present Anglican Cathedral at Quebec. French merchandise was prohibited and this practically destroyed all the French business firms. Referring to the situation then, and for decades afterwards, Dr. Bracq has this to say: "Objective historians recognize that for nearly four score years, when he was not provoked by grasping traders or by placemen with Prussian ethics, or annoyed by some of the Governors, he was paralyzed by his poverty, his ignorance of English, and long kept out of the economic currents of Canada."

In spite of all this the French-Canadian came to realize the great benefits which came to him under British rule, and to-day we find him as loyal to the Crown as any subject of the Empire. So much is this the case that it can be truthfully said by Mr. W. H. Moore that "Canada is to-day British because French-Canadians refused to have it something else." They refused to join the rebel American states, although it was to fight a people who had conquered them only a few years before. The clergy then supported the King and declined absolution to anyone who supported the American army which invaded Canada. The French fought side by side with Carleton in the defence of Quebec. Again, decades later, French Canada fought the same enemy at Chateaugay, and there, three hundred of them routed an American army of ten times that number, and saved Canada for the British.

In the rebellion of 1837, the question of race had little to do with it, the rebels in Quebec demanding

no more, and doing no more, than those in Ontario; and it is to the lasting credit of the French-Canadians that, at that time of temptation, out of over half a million of them, only about two thousand could be found to take part in such a venture, even to follow a leader who was so personally idolized as was Papineau. If the cause for which they fought justified Mackenzie and his followers in Ontario, then certainly were Papineau and his followers also justified. But, in no degree, can the mass of the French-Canadian race justifiably be made to bear any stigma in connection with the doings of '37. It was not a question of race at all, but of political reform, and should be thought of only in that way.

The feeling of the French-Canadian people in the matter of their loyalty to the Crown has been expressed by their prominent men on many occasions. Laurier expressed the general attitude when he said: "I am sure that I express the feelings of the French-Canadian members of the Right when I say that if there were a consultation of the people in the Province of Quebec and in all Canada to decide between allegiance to England or to France, there would not be a single vote in favour of a return to French allegiance."

To him, in another place, the British Empire rests upon "the great development of sympathy, of common thoughts and feelings between the men who are, for the most part, of the same race, who glory in the same historic past and face the same historic future."

Similar in spirit, and quoted to give an indication of present-day feeling, is this recent utterance of Canon Chartier, the Vice-Rector of the University of Montreal:

Britishism is broadmindedness. It signifies good understanding between peoples of different race, and liberty of religious thought.

We must still have a certain kind of provincialism in Canada; we must be proud of our country at large; we must be Canadian before all else. But we are intensely British in Quebec.

We would fight for England with a kind of ferocity if it were necessary, because we consider that we owe England more gratitude than we ever owed France at the time of the French régime.

We learn English in our schools in Quebec, because it is an official language, and also because we want it to be said that we speak both official languages, if for no other reason than out of respect for the King."

Finally, in studying the relations of the two races in Canada, there is to be found a growing, although almost unconscious, reconciliation between them. More evidences of co-operation, and the desire for co-operation are appearing in all directions. All of us, of both races, may well recall, for our example, the relations which existed between those two great political comrades, Baldwin and La Fontaine, the one from Upper Canada and the other from Lower Canada. When, at an election, the latter failed to find a seat in Quebec, Baldwin offered him one in the County of York where he was elected. Later Baldwin was himself defeated in the two seats in which he ran, and the French-Canadians, in grateful memory of his former kindly deed, and not to be outdone in courtesy, elected



him in Rimouski by acclamation. These are the things upon which mutual understandings are built.

In Switzerland, there exist three races, three ethnological groups side by side, and yet there has developed there an invincible patriotism. Why, then, cannot Canada find a true and solid national unity, based upon the sincere appreciation of the two races, each for the other? I seem often to quote Laurier, but it is because there have been few Canadians so truly Canadian as he was. His attitude towards this matter of co-operation should be the attitude of all of us. "If, in my last hours," he said, "I can say that, at the cost of my efforts, one single error has disappeared, one single prejudice has melted away; that, at the cost of my exertions, enmities of race have fled from the Canadian soil . . . I shall die happy with the conviction that my life has not been in vain."

That is much for a man to say after a lifetime spent in the service of his country, a lifetime of work devoted to the promotion of understanding between the races. Reading that, it is well, also, to recall those words of his, when as a young man he dedicated himself to that service. Speaking in Montreal to a group of his young associates, he had said: "I pledge my honour that I will give the whole of my life to the cause of conciliation, harmony, and concord amongst the different elements of this country of ours."

There was Laurier's pledge, and mightily did he keep it. If young Canada will follow him in his longings for racial harmony and for the welfare of all the Canadian peoples, then need we have little concern for the future relations of the races.

## CHAPTER SEVEN

### ON ATLANTIC SHORES

*God has planted your country in the foreground of this boundless region; see that you comprehend its destiny and resources—see that you discharge with energy and elevation of soul the duties which devolve upon you in virtue of your position.*

—Joseph Howe.

IN the very attractive Public Gardens of Halifax, there was last summer, a mute, and odd, confirmation of the current state of opinion in these Provinces by the sea. In a flower bed, showing the result of great care and much skill, small ornamental plants had been made to grow into a semblance of the Coat of Arms of Nova Scotia. But along the scroll below, as if it were the motto of the Province, appeared the words, “Maritime Rights.” There the words grew as if the very plants themselves were joining in the chorus of demands emanating from those Provinces. It would seem that people must hold their convictions very sincerely, and deeply, before it will occur to them to make the very flowers in their gardens reflect their feelings and advertise their convictions.

The advocates of the Maritime Rights policy base their case upon the history of the Confederation movement, and the results therefrom, which, it is their endeavour to show, have been greatly derogatory to the Maritime Provinces.

They point out what is undoubtedly true, and it is a fact which should be more generally understood, that, in essence, Confederation was an agreement

between the then existing Canada (Upper and Lower Canada) and the Maritime Provinces. The agreement was made after much preliminary discussion and agitation, by the resolutions adopted by the London Conference, attended by representatives of all parties. Having completed the agreement, the Conference passed the following resolution: •

“The sanction of the Imperial Parliament shall be sought for the Union of the Provinces on the principles adopted by this Conference.”

In compliance with this resolution, the Imperial Parliament passed, in 1867, the British North America Act. It is pointed out that this Act cannot properly be termed, as it so often is, the Confederation Agreement, since the London resolutions themselves form the agreement which was made, and they must be interpreted as such. So that to correctly interpret the intent of the negotiators, and the real purpose of the agreement, not only must the British North America Act be considered, but also the London resolutions with the discussions which preceded them, and also, if pertinent and advisable, the resolutions of the Quebec Conference which ante-dated the London meeting.

The Maritimes, as a whole, did not want Confederation. To quote one of the many pamphlets on the subject. “It was Canada that wanted it; because Confederation was imperative to her very existence, she literally forced it upon the Maritimes, having actually enlisted the assistance of the Imperial Government to that end.” Several facts are brought forward to the support of this state-

ment. The deadlock in government between Upper and Lower Canada, the cancellation of the Reciprocity Treaty by the United States, the threatened war with the States which menaced the bonding privileges for traffic through U.S. ports, the consequent necessity for the Canadas to obtain winter ports, the poor financial situation of the Canadas, were all factors forcing them to the solution of a confederation with the Maritime Provinces. The Canadas needed the Maritimes, and, for them, confederation involved no risk and no sacrifice, but promised a solution to all their problems.

On the other hand, at the time of Confederation, the Maritimes were prosperous, their shipping was on every sea. They looked forward to the future with confidence and optimism. The Canadas, so is their interpretation of what actually occurred, came to them as a suppliant, with the confederation suggestion. It is claimed that, so far as the people of the Maritimes were concerned, they had no desire for such a union, and that, in fact, their consent was never obtained. The Legislatures, indeed, voted against it. But by the manipulation of leaders, and the connivance of the Imperial Government, the plan was forced upon them. Much evidence can be brought forward to substantiate such a statement of the case. It was indeed a fact that on the 1st of July, 1867, the birthday of the Dominion, newspapers in the Maritimes appeared with their columns draped in mourning, and many flags were at half-mast.

To compensate the Maritimes for the sacrifices they would be making in consenting to a union between their prosperous Provinces, and the poor and backward Canadas, it was agreed that a railway should be built at once connecting the Maritime ports with the inland Provinces. This railway would result (we have the speeches of the Fathers of Confederation to show it) in the Maritime ports doing a tremendous business, accommodating, as one of them expressed it, what would be "a ferry service between Halifax and Liverpool." The railway was to be operated as a national work for the material benefit of the Maritimes, for their use in sending their products inland, and to bring the Canadian import and export business through their ports. It was upon pledges being given to this effect that the representatives of the Maritimes agreed to enter the Confederation. They believed these pledges, and the people in these Provinces claim them to be inviolably binding still.

The Inter-Colonial Railway was built, but, in the building of it, there was a controlling consideration which greatly affected the Maritimes. For military purposes it was built as far away from the U.S. boundary as was practicable, and it took, accordingly, a roundabout way which made it impracticable as a commercial road. From the Maritime point of view this wrecked the advantages they expected to derive from the building of the line. But it was considered essential at the time, and the British Government insisted upon it as a condition to advancing money for the purpose.

This railway was to be operated as a "National work," much in the same way as the canal system in Ontario is operated. This longer route caused by military necessity made it all the more obvious that it could not be operated as purely a commercial venture to make profits, but that the anticipated deficits must be a charge upon the revenue of the central Government. That was the expectation of the Maritimes, that the railway would be operated to encourage maritime trade at the national expense, and there is little doubt but that was the arrangement as understood at the time by all parties.

For some years, indeed, the I.C.R. was so operated in this spirit, with a view to the assistance of maritime trade. But gradually the national operation of the line came in for criticism, created first by extravagance and the use of the road for political purposes, and extended later to include the very principle of its operation as a national work, in spite of the Confederation agreement. Then, in the last few years, the very identity of the I.C.R. has been lost, and the road has been treated as a commercial line in an endeavour to make it pay its way, regardless of other considerations. The inclusion of the line in the Canadian National System is considered to be a direct violation of the Confederation agreement. The Maritimes contend that the I.C.R. must once more be operated as a national work for the benefit of their trade, and that the Department of Defense should be made to bear the deficit caused by the fact that the efficiency of the road's location was destroyed for purposes of military defense.



As for the promises of growth in the use of the Maritime ports, they have not materialized in the manner, or to the extent, anticipated. For eight months of the year, the Maritime ports are at a geographical disadvantage to the port of Montreal, and during that time most of the Canadian shipping uses the latter port. But there would still be the advantage of the shipping during the other four months of the year, when Montreal is frozen up, if another competitor did not exist. The Grand Trunk Railroad developed the use of the port of Portland, Maine, and the line to Portland became, of course, part of the Canadian National Railway System. The tendency is towards the use of this foreign port, since in mileage it has the advantage over the Maritime ports, and since that branch of the C.N.R. must be made to pay its way, as all branches must, so far as possible. But the net result is that the citizens of the Maritimes, daily looking out at their empty ports which could accommodate all the ocean traffic for the country, see in summer that traffic passing up the St. Lawrence (on a route for the upkeep of which they are taxed), and in winter going to foreign ports. Is it any wonder that in this condition they see gross violation of the understanding arrived at between the Provinces at the time of Confederation?

In the minds of the people in these Provinces one of the supreme tragedies of Confederation has been the resultant loss of maritime shipping. At the time of Confederation, maritime shipping was to be found in every port of the world, carrying the products of all countries. It owned a tonnage equal

to more than one-seventh of the tonnage of the United Kingdom itself. To-day maritime shipping is negligible. The decrease is popularly supposed to have been caused by the change from wooden to steel ships and to the utilization of steam. But the proponents of maritime rights will not admit that to be so. They state that the Maritimes knew how to build and to operate ships. They had the material and the money available, and, what is more important, they also had the men. They had the necessary coal and iron within the boundary of their Provinces to use in the conversion process. A New Brunswick man, Tibbets, it was who invented the compound engine, and the first such engine was actually built in St. John. Much progress was being made in the transfer from wood to steel, from sail to steam, but Confederation came to stop it by turning the eyes of the people away from the sea, away inland towards the industrial and pioneer opportunities of an awakening Canada. It was one of the prices paid by the Maritimes for joining with the Canadas.

At the time of Confederation, too, there were in the Maritimes many factories, wholesale establishments, banks, and other businesses making up a prosperous, progressive unit. But Confederation wrecked all this. Most of the factories closed, the head offices of all the banks moved to Montreal or Toronto, and there they have come under the domination of the industrial interests of central Canada. None of the national policy has had regard to the welfare of the people down there by the sea. A policy of national protection, and a

habit of national extravagance, have combined to drain the Provinces of their resources and to bring them down from the high pinnacle of success and prosperity where once they were.

Even in the matter of immigration they have been passed over, and immigrants obtained by the expenditure of national money to which they contributed, have been rushed past their shores to fill the open spaces of the western Provinces. The Maritimes protest that they, too, have open spaces, and have need of population as much as have the Prairie Provinces.

Finally, the last factor in this hurried summary of the case of the maritime rights group is the claim that, financially, the rest of Canada is heavily in debt to the Maritimes. It is claimed that annually since Confederation they have contributed many million dollars to the central Government more than they have directly or indirectly received in benefits from it. They have been called upon to pay their share of expenditures from which they could receive no inkling of benefit. Their contributions for the maintenance and operation of the St. Lawrence waterways alone have been much greater than the amounts the rest of Canada contributed for the operation and maintenance of the Inter-Colonial Railway. It is only fair, they claim, that Confederation be treated as a partnership and that each part contribute its fair share of the expenses. But each part should also receive a fair share of the benefits, and this, it is felt, the Maritimes have been denied.

There rests the case for the Maritimes, and yet, the people of the Maritimes seem to have overlooked a good deal in their analysis of the situation. As a matter of fact, there is not an unanimity of opinion in regard to these matters of maritime rights. Many intelligent citizens there think little of it and have very different ideas as to the causes of the depression which exists. The fact that the maritime rights cry was initiated and used chiefly by one of the political parties in a successful effort to defeat the other party, which had been entrenched in political power for many decades, is a fact which does not add to the probability of the soundness of the case. There is reason to believe that the cry was, primarily, raised for sectional partisan purposes, rather than from sincere and reasoned disappointment as to the results of Confederation. But, at the same time, it is not to be inferred that there are not now very many ardent and sincere believers in the arguments put forward.

It is safe to say that under the Confederation agreement the I.C.R. was to be operated as a national work for the industrial benefit of the Maritimes. But, isn't it the case that it was so operated for a period of fifty years or more? Is there to be no limit in time during which the spirit of this agreement must be observed? The demand for a return to the old I.C.R. conditions of national control could be more readily understood, if that line were still the only line to the Maritimes, and if its long mileage was the controlling factor now in the fixing of freight rates. But conditions have changed. To-day the Maritimes are connected

with the rest of the country by two other lines, neither of which were unduly lengthened by military necessity. The C.P.R. comes from Montreal in a more or less straight line, through Maine, to St. John, and the Canadian National have the old Grand Trunk line to Quebec which saves many miles over the I.C.R. route. Cannot it properly now be claimed that Canada has not only provided the I.C.R. as a connecting link, as promised in the Confederation agreement, but has provided two other lines as well? And doesn't that alter very considerably its obligation to maintain the I.C.R. as a national work, when it is clearly to the general advantage to maintain the integrity now established in the Canadian National Railway System?

Taking into consideration the existence of these three lines, it comes down to a question of freight rates, and this is a question which might well be examined more closely. Do the freight rates in force discriminate against the use of the Canadian Atlantic ports? Can better rates be obtained for the shipment of maritime products inland, and for the shipment of inland products to the maritime ports? This is a straight question of good business and one in which the people of Canada everywhere will give the Maritimes every aid in their power to give, in any endeavour which may be instituted to obtain the rates needed. The Parliament of Canada has already taken action in granting a blanket rate decrease amounting to about 20 per cent. But it is difficult to see the wisdom or necessity of going back to the old extravagant régime of the I.C.R., and the people of the Maritimes might

well forget the thought that they have ethical right to demand it.

The Maritimes are on more solid ground when they protest against the routing of Canadian shipping through Portland, Maine, rather than through their ports. It is difficult to see any justification from a national point of view, and that is the essential point of view, for a railway, owned in part by the people of the Maritimes, ignoring the welfare of that section of their owners, in order to promote the welfare, not of the rest of the owners, but of a people foreign to Canada, who own allegiance to another flag. The people there beside the sea are on solid ground in considering it equitable and advantageous even to scrap the line to Portland, if it cannot be sold to advantage, and so to do away once and for all with an agency which operates against the national welfare in general, and against the prosperity of a worthy section of the country in particular. The National Government might might well take immediate, definite, and if necessary, radical steps designed to force Canadian import and export shipping away from foreign ports and to Canadian ports.

It is the general tendency of the Maritimes to blame all their ills upon Confederation but it is questionable that they should so make it a case of cause and effect, because it is to a much greater extent simply one of co-incidence. There are other causes than Confederation for the lean days upon which the Maritimes have fallen, which would have had their result whether the Maritimes had united with the Canadas or not.



Maritime trade with the United States had been considerably encouraged and strengthened by the Reciprocity Treaty of 1854 by which there was a free exchange of natural products between U.S. and the British-American colonies. Maritime farmers and fishermen found a ready market for their goods in the New England States at prices which were particularly high during the Civil War. But this treaty was cancelled by the United States and ceased to operate on March 17, 1866, just a year or so previous to Confederation. The loss of possible markets by this cancellation was one of the principal factors in bringing about the union, both for the Maritimes and for the Canadas. It was hoped that the different Provinces would to a great extent absorb each others' products and so form an alternative to the market which was lost. If this has not proven to be the case for the Maritimes the chief cause has been the cancellation of the Reciprocity Treaty, and not Confederation, which occurred much at the same time. The same results would have been felt had there been no Confederation.

Following this, too, there is to be found one of the salient causes for the decline in maritime shipping. When trade is gone, shipping goes also. There seems to be no sound case at all for the blame placed upon Confederation for the decline in shipping. The weak excuse that it caused the people of the Maritimes to look inland for opportunities, instead of to the sea, is no excuse for so intelligent a people. They were not likely to drop the substance in clutching at the shadow. Whatever the causes, the decline of shipping was not accelerated greatly by the Confederation pact.

Much criticism is prevalent there in the Maritimes concerning the policy of protection. It is claimed, and probably rightly so, that this policy has penalized the people of the Maritimes for the benefit of the industrial interests in central Canada. Therefore, it is claimed, the power of the Dominion Government, created by Confederation, has been used in this regard in a manner antagonistic to their interests. There is reason to believe that this, at least, has been the result of the policy, but can all the blame be placed on the shoulders of those people outside the Maritimes? Have the people of the Maritimes such a short memory that they do not recall giving a majority to Sir John A. Macdonald in the election of 1878, when he went to the country on the merits of his new national policy of protection? Did the Maritimes in 1891 back the Liberal policy of a reciprocity agreement with the States, or, when they had another chance, in 1911?

In all fairness, if the policy of protection has operated against their interests down by the sea, they must accept as much responsibility as the rest of the country since they created it and sustained it with their votes. If opportunities for reciprocity with the States should have been accepted for the national welfare, and that is open to argument, then the people of the Maritimes should accept their share of the responsibility for not so accepting them. They should not bring forth the disadvantages of protection to them as an argument designed to show the unfairness of the Confederation arrangement.

The people in the Atlantic Provinces must force themselves to the conclusion that their chief aid must come from within themselves. Self-help is the only real help. There is, there, too great a tendency to depend upon the help that outside agencies might afford, and too little searching for that which could be done to help themselves. The gods, it should be remembered, are said to help only those who help themselves.

In conversation, a citizen of Halifax, a man prominent in the city, touched upon this point, and gave it a somewhat historical basis. Halifax, according to him, was created as a military town, and from no other cause. For the greater part of its existence, it has depended upon the military and naval expenditures within its borders. In the few years before the war, the Canadian Government, contrary to its understanding with the British Government when it took over from the British, was allowing the number of troops to dwindle, and was decreasing the expenditure. As a result business, and general prosperity, became poor in Halifax. The war came, and with it, a great increase of expenditure of all kinds, and prosperity returned. This lasted for a few years after the war, but the reaction has come now when the military expenditure is almost negligible. Now, Halifax has no outside source upon which to depend.

This history, which in the main must be admitted as true, is not one which is likely to lead to the development of self-reliance and initiative. Prosperity has always come to Halifax in the past

without exertion and without effort. There never has been the necessity, therefore, of breeding a far-sighted and adequate leadership. As a result, the Province, deprived of leadership, has been left to grow as it would, and it is not surprising that now it is discovered that the things which grew the most were the very problems which they now find on their hands.

The whole need of the Maritimes is sound leadership, which can show the people what to do, and instil into them the spirit of perseverance and self-reliance to do it. There is need for that everywhere in Canada, but there is doubly the need for it in these Atlantic Provinces.

Rather than the somewhat complaining attitude of the Maritime Rights group, it is more pleasing to see the attitude of Professor C. R. Fay, an economist who has earned the attention of Canadians by his intelligent advice on Canadian problems, who, in an article in the *Dalhousie Review*, gave as his suggested solutions of the maritime difficulties, the following:

- (1) The strengthening of their permanent agriculture, which means principally dairying in its various forms.
- (2) More orderly development of forest resources.
- (3) Increased attention to the profitable side-lines such as sheep-breeding and canning.
- (4) Road improvement and the encouragement of tourist traffic by the advertisement of maritime attractions.

These are remedies of a type which are in the power of the maritime peoples themselves to apply. Indeed, it is only fair to say that in regard to the

last, the improvement of their roads, they have already done much. The primary roads of the Provinces are now in first-class shape, and the Nova Scotia Government, at least, is this year improving also the secondary road system. Tourist traffic is increasing fast and it is a good portent that there is much being done to encourage it.

Nowhere in Canada are there better citizens than in the Maritimes. There are qualities there in the people which make them outstanding on the continent. They are conservative in their customs, thrifty in their habits, intelligent in their regard for the public welfare, and possessed of a general degree of ability even beyond the average. In this question of maritime rights they have perhaps been somewhat led astray by false prophets, but they will be discovered in due time and will reap their reward of political oblivion. The heart of the people is loyal. They are loyal to the British connection and to the Empire, more perhaps than to confederated Canada, but one feels that to-day a vote of the people would favor overwhelmingly the maintenance of the Canadian connection.

But the problems of the peoples of these Provinces must be no longer ignored. And it is pleasing to see that the Dominion Government has acted on the report of the Duncan Commission, however one may have doubts of the wisdom of some of the recommendations included therein. The best interest of the country demands that nothing be left undone to help the Maritimes help themselves, and that is all they really demand. The Ottawa

Government should utilize the best brains at its disposal for the work of finding the way to the permanent contentment and prosperity of these Provinces. It must be remembered that it matters little where the blame lies, when there are diseases to be cured. The apportionment of blame never helps the cure.



## CHAPTER EIGHT

### OF POLITICAL PARTIES

*Politics, indeed, regarded as the study and pursuit of the true, enduring good of a community, as the application of great unchangeable principles to public affairs, is a noble sphere of thought and action; but politics, in its common sense, or considered as the invention of temporary shifts, as the playing of a subtle game, as the tactics of party for gaining power and the spoils of office, and for elevating one set of men above another, is a petty and debasing concern.—Channing.*

SO great is the political bias of the average citizen of Canada, as elsewhere, that I am acutely conscious that any discussion of political parties will be read with an eye open for signs indicating my own peculiar party attachments. So that it is necessary, first of all, to say something of the attitude from which I propose to look upon the question.

Since early associations have such a strong influence upon the future of a man's religion and politics, many men permitting no later influences to affect them, it is pertinent to say that I was brought up a Tory and a Churchman. It is perhaps sufficient to add that I am still a Churchman.

That is not to say that I have abjured the Conservative party and vowed allegiance to another. It is rather, I say it sincerely, that I have achieved my personal independence for reasons which, to me at least, seem to be adequate, and which are bound to appear in the discussion it is proposed to undertake.

My present position, politically, is, in short, somewhat reminiscent of a sentence used by Viscount Milner in the preface to his book "Questions of the

Hour," written a year or so before his death. "Separated from one political party," he wrote, "by my advanced views on social questions, still more widely separated from others by my faith in the Empire and my attachment to national rather than cosmopolitan ideals, I often seem to myself to be ploughing a lonely furrow."

So, too, in another country, and in a very modest way, I find myself "ploughing a lonely furrow" so far as political affiliations are concerned. I can find no political party which closely reflects that combination of principles and policies which appeals to me as holding the most for the future welfare of the country; so there seems to be no other course but to retain an independence which allows the granting of my small measure of support to whatever group at any time seems to me to be acting for the common good.

That being the case, I can at least claim to bring to the discussion a lack of restraint caused by the absence of any spirit of party loyalty, and, I hope also, a detached viewpoint seeing only that which would react beneficially for Canada. What may be written, then, will be read, I hope, as the opinion of an independent citizen, unattached, and with no affiliations to any existing political party. Certainly it has been so written.

On a wide view, the most apparent feature of our political life is the low standard of its morality, a matter in which we might better have imitated the Motherland than the great republic to the south. We seem to have followed the example of the latter, and, in so doing, to have adopted something of the

political morality of England of a hundred years ago than of to-day.

Then, in England, politics were extraordinarily corrupt, chiefly since it seemed natural that they should be so. Positions, contracts, and pensions were given mostly on that system which would most enrich the giver. Corruption was accepted as the inevitable and essential part of the political machinery.

But, during the long reign of Queen Victoria, there was a peaceful reform movement which changed the face of English political life as radically as would any revolution. It was a revolution, indeed! From it grew a strong public opinion which demanded that the common good should be the end of government in all its actions. Corrupt practices practically disappeared, the chief remaining relic, until a few years ago, being the granting of titles in return for contribution to party funds. Even this now, has been challenged, and, to an appreciable extent, eliminated from public life by the pressure of public opinion.

Unfortunately, we can trace little of a corresponding growth in public morality in Canada during that period. Every election which takes place serves only to give us greater reason to despise the ethics of our political parties. See the issues and the arguments they place before the electorate!

In England, in the last general election, the Labor party were defeated on questions of national import. Englishmen were perturbed at that party's supposed relations with Russia, and by a fear that

the stability of the constitution was not sufficiently assured. Whatever opinion one may hold as to the wisdom of the verdict, at least it must be admitted that the election took place on the comparatively high ground of the nation's welfare.

In Canada, in the last few elections, as in every election, how different was it! We saw parties vieing with each other to offer most to the electorate. Their material advantage, their sectional advantage, was the guerdon held out to the voters. Particular localities were crudely informed that public moneys could only be spent in their midst "upon the election of Government supporters in these constituencies." In general, we have passed from personal bribery, which the law penalizes, to communal bribery, which it yet condones.

As a nation, we are much worse off in the process. In the old days, when the voter expected to sell his vote, and it is a custom not altogether unknown even to-day, it cost the party henchmen substantial amounts to conduct this part of the campaign. It still costs them much money, obtainable, unfortunately, from sources which will in due course receive their returns, but, in addition, the national treasury is brought into action. Promises are made of public works based not upon the urgency or the necessity of their provision, but upon the effectiveness of such promises to secure the votes required. And so the "pork barrel," as it is politically known, has come into existence. The country, which means you and I, must pay to keep the government in power, or, it matters not which, to put the opposition in power.

This is only one example of the real depths to which our political morality has sunk. We have become cynical in regard to it, and we accept it with a great deal too much complacency. By that very complacent acceptance of such a standard, we give it all the greater force in its corrupt action upon our public life. It is bribery, and it is wrong, and no amount of plausibility, or of custom, can make it right.

There is, too, the twin evil which is involved in the secret contributions to party funds. Nowadays money is contributed to the working funds of the different parties, not so much by individuals, but by corporations. These corporations pay for nothing which they do not expect to receive, and that which they expect to receive is nothing less than some measure of control over the governmental policies and activities in which they are interested. The sale of policy is what actually takes place! Isn't this a monstrous thing, when it is looked in the face? Can we expect that the interests of the corporations, which are the paymasters of the parties, will be identical with the interests of the people for whose welfare the Government is supposed to exist? Is it any worse for an official to accept a bribe to do something not recognized as legal, than it is for a party organization to accept contributions which they know will affect their future freedom in ruling as the dictates of justice tell them they should rule? Under our system the politicians run the country, and it is essential that we should know the sources from which they receive some of their instructions.

There is, accordingly, an urgent necessity for the public auditing of party funds, and that audit should be made so rigorous, and surrounded with so many restrictions, that it will, at least, discourage, if not prevent contributions being made for ulterior motives. We should fight with ungloved hands this hypocrisy of politics, and no longer allow this type of political corruption to stand in the path which we wish to take to a decent and admirable public life.

We have to remember, too, that corrupt government in a democracy has effects greater in their evil tendencies than in other types of government. "While rotten democracy," wrote Henry George, "may not in itself be worse than rotten autocracy, its effects on national character will be worse." The result of corruption in a democratic government, and the practice of corruption by people in high places, is that, first the people learn to look upon it with leniency, then to expect it, then to excuse it, and finally themselves to practise it. When the people become corrupt, then life is gone from the state. To their government they will send men corrupt as themselves, and clarification becomes impossible since the source is poisoned.

Many of us have looked upon our political life, seen the evils existent therein, and rightly attributed them chiefly to the unceasing fight of the political parties for power. And many, seeing this, have demanded the abolition of parties, as such, and the adoption of some other system of government.



It is an easy solution to bring forward, but not an easy one to make materialize. It brings us to a consideration of the very nature of these parties, of how they originated, of what utility they are, and of their practicability as a system from the viewpoint, not of themselves, but of the national good.

Political parties emanate from the very natural desire of men to associate with others who hold similar views on fundamental questions. To this extent they are beneficial, since the association of men, with its resultant creative power, has always been one of the chief sources of human progress.

Where a political party is founded upon sound principles, it is founded wisely and well, and it retains to itself something of worth and dignity so long as it fights the battles emanating from an observance of those principles. But too often our parties seem controlled by circumstances alone, and they acquire motives for action not from regard to principle, but, at the bidding of some leader, from matters foreign entirely to those which are their proper field. Once a party departs from the due and proper allegiance to the principles upon which it was founded, it, at that moment, absolves its adherents from any necessity of loyalty. From that time it creates within itself a tendency to exist and carry on for its own sake, for the sake of the power it can attain for itself, rather than for the common welfare which it had been originally endeavoring to promote. It is in this departure from original principle that we can trace most of the confusion at present existent in the political life of Canada.

The political party has something of merit, and, within its proper bounds, if it can be kept within them, it can serve a useful purpose in the state. Since there must be always two parties at least to enable the system to exist, one of the parties must have the power, and the other be without it for the time, acting then as the opposition. It should criticize the acts of the Government, not in a carping, unfriendly manner, but so as to ensure that, neither by commission or omission, does the Government do anything detrimental to the welfare of the people of the country. And just herein lies the justification of any party, and of the party system. So long as any party in power, or in opposition, acts or criticizes solely from the point of view of a sincere regard for the people's interests, so long does it justify the system. But, when its actions, or criticisms, are in reality, in spite of its protestations, founded upon a desire for the welfare of the party itself, of the material interests of its members, of the will for the attainment of power, then it is that it breaks the just limitations and aids in destroying the usefulness to the state of the very system of which it is a part.

Henry George used an illustration in another connection which here is much to the point. "To compare society to a boat," he wrote, "her progress through the water will depend not upon the exertion of her crew, but upon the exertion devoted to propelling her. This will be lessened by any expenditure of force required for bailing, or any expenditure of force in fighting among themselves, or in pulling in different directions."

The application for us is obvious. Canada needs the expenditure of all the available energy of her citizens to achieve the full measure of the great future which can be hers, but if much of the energy is to be expended in continual party bickering, in the mad fight to acquire the spoils of office, in cantankerous recrimination between leaders and followers, then Canada's progress is bound to suffer. Fortunately, there are many signs that the people are tiring of the motives and tactics of the party politician, and are coming more and more to look for leaders of the requisite purity of ideal and sincerity of motive.

William Channing was quoted at the head of this chapter. More than eighty years ago, he spoke at Boston "On the Elevation of the Laboring Classes," and still we can acquire much social and political wisdom from what he said there. In this matter of politicians, and the political life, Canadians can do no better than to recognize the essential truth of these words of his:

An individual is not elevated by figuring in public affairs, or even by getting into office. He needs previous elevation to save him from disgrace in his public relations. To govern one's self, not others, is true glory."

Similarly, a party saves itself from disgrace only as it has a sincere and true regard for the country's welfare, and not of its own alone. To curb itself, its wish for power and position, and to accept the reins of government only when truly and sincerely appreciative of the responsibilities of government, only in these will a party find true glory.

These things are all truisms, and the only justification for repeating them over and over again lies in the conditions to-day existent in regard to the political life of Canada. In many circles, party loyalty is regarded as akin to family, or national loyalty. The man who will not take his party's lead, willy-nilly, regardless of his own principles, is a "bolter," a "renegade" even. The slogan that "the party is always right" must be accepted by any young politician desirous of insuring his own political future. It cannot be repeated too often, nor the statement given too much emphasis, that party loyalty, carried to such extreme, is a false loyalty, and one that is definitely inimical to the best interests of the country. The assertion of mental and moral independence is not treachery to one's party. It is, indeed, treachery to one's self, and murder to one's soul, if the assertion of such independence is not made when the occasion demands. The moment any political party acts only, or chiefly, in regard to its own interests, and abandons to even a small degree the observance of its fundamental principles, that moment it frees its adherents from all just demands for loyalty. Indeed, it does more, for by such actions it places a responsibility upon its adherents, if they be good citizens, to disregard the party altogether and look only to the common welfare.

Although within its proper limitations, the party system, by creating a critical opposition to act as a proper check on any government, can be beneficial, yet it must be admitted that in no modern democracy, in America especially, has it proven

possible to restrict the parties to these limitations. The inevitable result has been the growth of many evil things, commensurate with the greatly inflated importance of party. The creation of antagonisms, the clouding of issues with racial, religious, and class prejudices, and the distortion of facts and conditions for party ends, are some of the evils for which the undue exaggeration of the party system must be held responsible. The following is a press clipping which goes so far, in this connection, as to say that "the belevilling of everything with the party spirit has been historically demonstrated as having the sinister power beyond all other warping or corrupting agencies to make honest men dishonest, kindly men malignant, clear-headed men blind, and patriotic men traitors to their country".

All that being true, what can be done about it? Whether the abolition of the party system could be followed by any other system which would be free from present evils, is an open question. At present, it can hardly be said that it is a practicable question. We will have the political party as an integral part of our system of government for many decades to come, and our only course is to see that the evils resultant from it are minimized as greatly and as rapidly as possible. There is only one way in which to do that, and that is by the loosening of the demands for party loyalty. So soon as the citizens of Canada realize, and act on their realization, that their moral and mental independence is vital to the country, as it is to themselves, only so soon will the vices of the party system begin to disappear. The power of the party can only remain so long as the

people are content to be duped by it. The people have the solution in their own hands. When they will acclaim sincerity of action, and demand a genuine care for the country's welfare, then they will find their spirit reflected in the parties and in their leaders. After all the party can be no better than the people who compose it.

Political parties, as has been said, are founded, originally at least if they are to endure, upon fundamental principles; and in their origin, the two great political parties of Canada were so founded. How far they have departed from these original principles is a matter for discussion. But it is essential for a proper understanding of the present political conditions in the country that these fundamental principles upon which the parties were founded, should be known and appreciated. They can be found concisely outlined in several places.

Wilfred Laurier made a notable speech, early in his political life, upon the subject of Political Liberalism. It did much to build his reputation, and gives us something of his idea of the differing political principles. In it he said:

What is the principle, the sentiment, to range these divers elements of the population either among those who govern or those who watch? It is the Liberal principle or the Conservative principle. You will see together those who are attracted by the charm of novelty, and you will see together those who are attracted by the charm of habit, you will see together those who are attracted to all that is ancient and you will see together those who are always disposed to reform. . . .

Both are susceptible of much good, as they are also of much evil. The Conservative, who defends his



country's old institutions, may do much good, as he also may do much evil, if he be obstinate in maintaining abuses, which have become intolerable. The Liberal who contends against these abuses, and who, after long efforts, succeeds in extirpating them, may be a public benefactor, just as the Liberal who lays a rash hand on hallowed institutions may be a scourge not only for his country, but for humanity at large.

Professor Gilbert Murray, who, it must be admitted, is a Liberal of the Liberals, and whose bias is somewhat reflected in the passage to be quoted, nevertheless has stated the essential differences between the parties very clearly when he wrote the following in an article in *The Nation and Athenaeum*:

Both Liberalism and Conservatism, as opposed to revolution, start by a fundamental reverence for civilization, and an acceptance of the existing social system as the result of long ages of human effort and progress. The difference between the parties is one of emphasis or direction. The Conservative fears greatly to disturb or endanger the existing order; he entrenches himself in its traditions; he is sometimes apt to defend its abuses. The Liberal values it as a high stage already reached in the eternal pilgrimage of mankind, and looks on to the next stage. He accepts Progress; he believes in light and ever more light—he works for the continued betterment of this great society. What makes him a Liberal is liberality towards new ideas and towards opponents, readiness to hear reason, and anxiety not to be misled by prejudice, nor to fall back on mere authority or coercion.

As a balance to Professor Murray's seemingly favorable regard of Liberalism, another quotation may be used, this time from Lord Hugh Cecil's book on "Conservatism."

"Pure Conservatism," he defines, "as a disposition averse from change, and it springs partly from a distrust of the unknown and a corresponding reliance on experience, rather than on theoretic reasoning."

The three quotations will be sufficient to give a concise idea, although, it is hoped, a clear one, of the real differentiation between Liberal and Conservative doctrine. Liberalism stands for continual progress, for as great a degree of freedom for the individual as is compatible with his association with his fellows, and for the recognition of the rights of other men whoever and wherever they may be. Conservatism desires to conserve things as they are, has a great concern for the rights of property, inclines to the promotion, economically and politically, of the nationalist idea, and is not averse to the use of the power of the state to keep men in the way they should go.

In Canada, the observance of these general principles in their application should have resulted in the adoption of certain definite policies by either party in keeping with principles they profess. The Liberal party should be the national proponent of the doctrine of freer trade, should look with favor upon the development of a closer association with the British Empire and the world in general, should encourage public ownership, and restrict so far as possible legislation affecting the freedom of the individual. From the Conservative party, if they have regard to their fundamental principles, we would look for policies reflecting an economic nationalism, a policy of the protection of industry from wide foreign competition, and as a natural

accompaniment to their policy of an economic nationalism, a policy also of political nationalism, one looking to the promotion of Canadian autonomy, more and more independent of the Empire and of world connections. The Conservative should consistently endeavor to protect the interests of private property, and to ensure the continuance of existing institutions. These are the general lines upon which we might expect the policies of the parties to be based.

But what do we find? We find that the two great parties have maintained in their programmes strangely inconsistent policies, not at all consistent with their basic principles. And it is this inconsistency which is very largely responsible for the stagnation of our political life.

Conservatives, while proclaiming a nationalistic policy economically, do not, as they consistently should, admit of a politically nationalistic policy, of a growing degree of independence. While nationalistic economically, they yet profess to stand for the promotion of a wider solidarity of Empire and are, in general, favorable to a wider political outlook. The Liberals, on the other hand, quite inconsistent with basic Liberalism, are inclined in their present policy to encourage a narrow Canadian Nationalism.

But even if the present parties were consistent in their inconsistencies, matters would not be, politically, so hopelessly involved. If all the supporters of any party were more or less akin in their general ideas and opinions, the public would know better where they stood, and there would be greater hope

for the immediate political future of the country. But we find strange bed-fellows in both parties.

The Liberal party, as it at present consists, has almost a monopoly of the Quebec seats in the Dominion House. These members from Quebec represent a people who are, in essence, the most conservative, and reactionary in Canada. They are protectionists, they are nationalists, they resist change and reform, and are quite content with things as they are. It is a strange anomaly that such a people should be represented by an almost solid block of representatives professing adherence to the Liberal party. They are Liberal in nothing but name, and their presence in the party at Ottawa, the dependence which the party must place upon them, forces the Liberal party to ignore much of the principle upon which it is founded, and to adopt policies according to political convenience only. Side by side with these inconsistent Liberals from Quebec sit the more consistent Liberals from the western Provinces, and the block from Ontario. To weld these different units into a common national party, based upon Liberal principle, will, in the long run, be quite impracticable.

In the Conservative party, there are similar inconsistencies. They have at Ottawa almost a solid block of representatives from the Atlantic Maritime Provinces. Although the people of the Maritimes have in recent years been clamoring against the national protective policy, yet they send Conservative members to Ottawa to support a party pledged to the maintenance of that policy.

They did so, it is true, simply as a protest against what they deemed governmental inaction to their demands. But, by so doing, they created in the Conservative party a group essentially Liberal in their outlook and policies.

So that we have mongrel parties at Ottawa. Of the Progressive party little need be written, because to the present at least, it can scarcely claim to be more than an agrarian group. It is not representative of progressive opinion throughout the country, which in reality is nothing more or less than advanced and consistent Liberal opinion. The present group exist only for the materialistic motive of bettering the conditions under which one industry, farming, is carried on. The group has an artificial importance at present because of their holding almost a balance of power between the older parties. But that is a situation which will gradually right itself, and then the agrarian group will be revealed in the light of its real importance. Its ultimate future would seem best to be in the formation of a Left wing of the Liberal party.

To return to our older parties, we have found in them a strange conglomeration, and it is in this that there is to be found the cause of much of our political illness. The fact that neither party exists on clear-cut definable principles forces them into the fight for party maintenance and makes them emphasize the demand for party loyalty. All the evil results of an attachment to party above everything else follow, and this is what has occurred. We have had to watch a series of exhibitions of party

tactics and political strategy until we begin to wonder what it is all about, and whether there can be more in it than the playing of the party game.

There seems to be only one true solution, and that is for the parties to return to policies which reflect sincere convictions based upon the nature of the principles upon which they are supposed to be founded. On these differing principles alone can they find right grounds for differences, and the only differences they should care about are those fundamental differences in opinion as to how the people can best be served.

To get back to real Liberal policy, and to real Conservative policy, many shifts must be made, and much water will run under the bridges before they are accomplished. Reactionary Quebec must become Conservative in name as well as in nature, and the Maritimes send representatives to Ottawa to reflect their preponderant Liberal opinions. These and other changes can only be accomplished by either party living up, rigidly and sincerely, to policies reflecting the principles which they own. Then the people will know where they stand, and will be able to find a party to which they can give informed and intelligent support.

If the parties are brave enough loudly to proclaim their fundamental principles, regardless of any resultant temporary loss of followers, they would be doing what is required for the good of the country at this time. The sooner we can get all true Liberals in the country behind one party, and all true Conservatives behind the other, to replace



the present incongruous mixtures in both parties, the sooner will we have a government, and an opposition. whatever party may have the power, which will be likely to place the good of the country before any partisan advantage.

Party leaders, and party followers, might well remember these words of Carlyle's:

The cause thou fightest for, so far as it is true, no farther, yet precisely so far, is very sure of victory.

## CHAPTER NINE

### THIS TARIFF BUSINESS

*Duties on imports are indirect taxes — Henry George.*

**I**F there is one national question in Canada upon which citizens may have fundamental and justifiable differences in opinion it is that which concerns the advisability of the use of a tax on imports either for revenue or for protective purposes. Such a tax is one which reacts upon the cost of living of all the citizens, and, whether they realize it or not, the policies adopted by governments in this regard touch them more closely than even the adoption or alleviation of an income tax. But it is one of the strangest features of a tariff tax that the people generally do not think of it as a tax or do not discuss it from the point of view that a tariff entails any monetary sacrifice on their part as individuals.

Yet it is from this point of view that it should be judged and not only from the other point that it may, or may not, be necessary or advantageous to the industries of the country. These different points of view are such as to make justifiable the holding of radically different opinions in the matter. It is not an ethical question of right or wrong, but a question upon which much common sense can be enlisted to the support of either side of the argument. Upon examination it becomes a question of nice judgment to decide whether the advantages which might be expected to accrue to the country

from the imposition of a tariff outweigh, or not, the disadvantages which it carries with it. The dogmatic politician, or business man, who can see only one side of the argument is, in effect, merely acknowledging an inability or a disinclination to see the question from a proper distance. He sees too clearly the trees in the forest and misses altogether the larger view of the forest itself.

This idea should be emphasized that, insofar as the tariff question is concerned, one side is not altogether right, nor the other side altogether wrong. The very fact that the imposition of a tariff on any article affects different people, and different groups, and different sections of the country, in different ways, and to varying degrees, makes it necessary that the imposition of the tariff duty on that article must be judged, if it is to be done fairly, by its effect on the general average, and not by any advantageous effect it might have for particular individuals or sections. It is often the case—always, as a matter of fact—that what is advantageous to some is disadvantageous to others. Then, it is only the sound judgment of the governing authority as to what is to the average general advantage, which must be the deciding factor. The right exercise of such judgment has a tremendous influence upon the prosperity and general content of the people of the country.

We, as citizens, cannot know whether any existing, or proposed, tariff scale is to the general advantage of the country as a whole unless we know something of the economic condition of the country, and are familiar with the sound arguments, and

the fallacious arguments too, which are used to support the opinions of the protectionist and the free trader. It is therefore essential to make a review of these arguments, before we can make any reasonable discussion of the whole matter as it affects Canada.

So much has been said, and so much can legitimately be said even in a summary of the question, that it is difficult to know how to outline it. Perhaps the end can be best accomplished by an examination, first, of the arguments which are usually, and popularly, brought forward by the advocates of protection. It is strange that the most popular arguments, and the ones which obtain the greatest measure of popular assent, are really the most fallacious, and not at all the proper basis for a sound advocacy of the protective system.

One of the commonest arguments brought forward in favor of protection is that it creates a home market, and this argument it is one which is directed particularly to the farmer. When a tariff tax is placed upon an article, so the argument runs, the article is made at home, and the resultant labor used creates a greater home market. It is obvious that there is created a market, but the fallacious point about the argument is that it is not an additional market. The existing labor of the country is simply diverted from one occupation to another. Whether it is an advantageous diversion to the agriculturist, or to the ordinary consumer, is a different matter and one to be judged from another angle. Let us take a concrete case. A duty is established on imported woollens with the result

that woollens are made in the home market. Those employed in the industry buy food supplies from the farmer. The real transaction is food for woollens, so far as the farmer is concerned, although it is camouflaged somewhat by the use of money for convenience. Before, the farmer had to ship food out of the country to get the woollens he required. Now he gets them from the manufacturer, who is his neighbor. The measure of the advantage to the farmer is whether he gets a greater or less quantity of woollens for the same quantity of food. If he gets less under the condition of home manufacture than he did before, then the home market is not so good a market as the foreign one, and the food he produces is not worth so much to him. Similarly for the producers of all other goods, who are consumers so far as woollens are concerned. If, under the new conditions, they get a less quantity of woollens in exchange for the materials they produce, then the foreign market is a better one for them. In other words, if the protective tariff results in an increase in price to the consumer, the creation of this new home market has been of no benefit, but has resulted in an increase in his cost of living. And since the tariff must result in a higher price to the public than that for which the foreigner could sell, since otherwise the domestic manufacturer could meet the price competition and would need no tariff protection, then this argument as to the advantage of the created market falls to the ground. The doctrine of protection cannot be upheld upon it.

As a particular case of this general argument as to the creation of markets, protectionists point to the market created for farm products in any centre of industry. The farmers profit by the sale of milk, vegetables, meat, and similar things. There is little doubt that those farmers who are located in close proximity to the industrial centres do profit to some degree, but their gain is not so much because they are farmers, but because they are land owners. They profit in the same way that the owner of an undeveloped lot in the centre of a city profits, by the increase in values caused by the new distribution of the population brought about by the favoring legislation to industry. They have the benefit of an indirect form of what has been termed "the unearned increment." But it is only a small proportion of farmers in Canada who get any benefit in this way. The very fact that Canada grows now many times more wheat and other agricultural products, than can be consumed by her own people, is evidence that no home market could at present be created which would consume all this produce. We must export it.

Much has been made of an analagous argument that protection makes employment. It seems obvious to the man on the street that when a new industry is established under a protective duty then there is an added demand for labor. Keep imports out, and make the article at home, and isn't there more work for the workingman? The answer is that there may be, for a while. But the final result is not so obvious and may be different. When we cease to import this article we decrease



our imports. And when we decrease our imports we also must decrease our exports, since exports are merely goods sent out of the country to pay for imports, and incidental services rendered by foreigners. If our exports are thereby diminished, then there is less demand for labor in those businesses which produce our export materials. The net result is, therefore, not an increase in employment, but simply a changed demand from one industry to another. And a sad feature of this is that the decreased work is likely to be in those trades which are most beneficial to the country since they are the ones in which we have worked up an export trade by virtue of the fact that we have production advantages in those trades over the foreigner.

Commoner than any of the above arguments advanced in favor of protection is the argument that it makes and keeps wages high. It seems to be an accepted article of faith that wages cannot be kept high unless the workmen in an industry are protected against the lower rates of wages in other countries. The standard of living must be defended by protective duties against the lower standards of the workers in other countries. This argument is everywhere brought forward, yet a little reflection will show its absurdity. If it were true, then the country with the highest rates of wages could not export any of its goods! If this argument were sound, for example, how could the United States, where wages are high, export articles to Italy, where wages are low? Here is a paragraph from an

article in "The Round Table" which well exposes the fallacy of this argument.

Moreover, if America confined herself to exporting raw materials, semi-manufactured articles, and food-stuffs, the effect of her expansion on the industries of Europe would be much less formidable; but she is now sending across the Atlantic almost every kind of manufactured goods, from motor cars to boots, which in spite of tariffs are competing with the products of Europe in her own home markets. This implies that America is producing more cheaply and that in spite of a level of wages which no European country can approach. The American workman, who is usually nothing but a transplanted European, enjoys a standard of comfort which his fellow tradesman in France or Germany, or for that matter in England, is very far from having attained; and yet the American employer is able to sell his manufactures at prices which compete with those of Europe, even after paying toll for transport across the ocean."

Need we say anything else to show the fallacy of this high wage argument? Far from a country needing a tariff to protect its workmen from the competition of workmen in other countries with lower wages, the reverse might well be the case. The low-paid workmen in Europe might better clamor for some measure of protection against the high-paid workman in America! The explanation of the matter is simple. The low prices in the States co-exist with high wages because the efficiency of the labor is high, and its application to the problems of production is rendered efficient by the use of labor-saving methods. Mass production methods are what protect the high rate of wages in the efficient industrial countries, and not the existence of any tariff.

So far, there has been indicated only the fallacies which are inherent in the usual arguments advanced by the business man or politician who advocates the cause of protection. It has been impossible to do more than indicate them. So far as the arguments above are concerned the right attitude towards them, is perhaps best summed up in this sentence from a book by a Professor of Economics at Harvard University:

*Prima facie*, protection restricts the geographical division of labour, causes industry to turn to less advantageous channels, lessens the productivity of labour, and so tends to lower the general rate of wages.

It is often assumed that when an industry is established in the country because of the imposition of a tariff tax on an article previously imported then the country is the gainer. As a matter of fact, a little analysis will show that the opposite is the case, strange as it may appear on the surface. When a duty is imposed on an article, so long as that article is imported, its price to the consumer will rise by the amount of the duty. The consumers, ourselves, will in the long run pay the duty. That duty, while the article continues to be imported, entails no national loss since it goes to the Treasury of the Dominion to pay for the cost of government. If the money were not so collected it would have to be collected in some other way, since the country must have the revenue. The duty does not entail any additional load on the taxpayer, but merely changes the method by which he pays the country's expenses. Although the article costs more, it is not a dead loss and it does not decrease the net national income.

But it is different if the article is no longer imported but begins to be manufactured in the country. The domestic manufacturer must charge a higher price than the foreigner did before the imposition of the duty. That is obvious since if it could have been manufactured here at the same price as the foreigner could lay it down then there never would have been any importation. It usually works out in experience that the new domestic price is just under that of the foreigner, plus the amount of the duty. But the essential difference is that this extra price, almost equal to the amount of the duty, does not go to the national treasury, but to the manufacturer in the nature of a bonus, to enable him to maintain a disadvantageous industry by means of which the consumer must pay an enhanced price for the article. Because of that factor it represents a national loss, and constitutes a means by which the net national income is decreased. So that we arrive at the conclusion that duties paid upon imports involve no loss to the country, even when they increase the price to the citizens, but when the article is supplied domestically, there is a national loss of the amount represented by the increase in price caused by the duty.

This brings up the question of the essential difference of a revenue tax and a protective tax, which is one upon which there is a great deal of loose talk and much confusion. Some political partisans are fond of saying that the duties imposed by their party are for revenue purposes only. This is not, in fact, often the case in Canada. A pure tax for revenue is one which imposes a duty on an

imported article, and at the same time imposes the same amount of duty on the same article if made in the country. Tobacco is a case in point. A tax is imposed on the import of tobacco, and a tax also on its growth or manufacture in Canada. If the import tax and the internal excise tax are equalized, then it can be correctly claimed that the tax is a revenue tax in both instances. But when an article bears an import tax and there is no corresponding internal tax, then it is a misnomer to call it a revenue tax, even if it incidentally brings in revenue to the country. The absence of the balancing internal tax gives it a protective feature, and it is essentially a protective tax. So that when a political party claims for propaganda purposes that the tariff it imposes is a revenue tariff, it is claiming **what is essentially not true.**

So far the discussion has concerned those popular arguments which are usually put forward by the advocates of protective duties and their fallacies have been indicated. The arguments remain in use because they have a superficial appearance of truth and they are such as to appeal to the unthinking voter. Unfortunately, it is a political necessity for partisans to make their appeal with arguments which are not too complicated for popular understanding. The electorate will not take the trouble to understand a question which appears to them to be in any way involved. It is a feature of democracy which makes its most faithful advocates at times despair. But there are other arguments which can with more real weight be brought

forward to the defence of the protective system, and these in all fairness must be outlined.

The first and most important of these is that some degree of protection is necessary, especially in a young country which has to meet the competition of older countries with established industries, for the encouragement and establishment of young industries. This would appear to be particularly essential here in Canada where, without protection, it would be difficult for any new industry to fight successfully the competition of the highly specialized industries of the United States, which are our very close neighbors. New industries meet with difficulties because of lack of experience, ignorance of methods, lack of skilled workmen, and other similar matters. They have, of necessity, a small production and a small market at the outset, and this means higher production costs than would probably be the case after they have been established for some years. These arguments are sound and favor the establishment of protective duties, but only so far as it is necessary to secure the establishment and growth of the industries. There are strict limitations as to the duties which could rightly be imposed under this argument. They should not be too high, not exceeding, say, twenty-five per cent., for it would seem that if an industry cannot be established with that amount of protection it is probably not one which could eventually so organize itself as to be ready later to meet foreign competition, once the reason for the establishment of the duty no longer existed, and the industry had grown to man's estate. This infers the other



limitation, which should be placed upon a protective duty established on these grounds, and that is that it should be for a limited time only, not to last for more than fifteen or twenty years, which should be quite sufficiently long to enable the industry to get on solid ground. Of course, once an industry has received protection for that time it will come to treat it as its right and will clamor loud and long against being thrown to meet the competition of the world. But if it were definitely understood that the protection was for the limited period only, then it would probably so organize itself within the time to meet the expected competition.

Another sound argument in favor of protective duties is an involved one which is difficult of understanding even to some avowed economists. It is one, therefore, the existence of which is all that can be indicated here. It concerns the probable effect of protective duties upon international trade. When duties are imposed one of the first effects will be to lessen imports, and, particularly if the export commodities of the country are such as are insistently demanded by foreign countries, there will result an increased movement of specie into the country. This will put in force a series of movements which will probably result in making the money of the country go a longer way in purchasing foreign articles. In other words the country will obtain its imports on better terms. It will not have a similar effect, however, in the purchase of domestically produced articles. The demonstration of these statements involves discussion of so

many different factors that it is out of the question to enter into it here.

Another phase of the picture is that which concerns the fact that we must take into consideration the existing state of things where most other countries have adopted protective tariffs, and especially the great industrial country to the south of us with which the greatest part of our international trade is done. It is not a matter simply as to whether protection or free trade with other countries would best serve Canada. We must take into consideration the sure fact that we cannot have free trade with other countries so long as they continue to maintain tariffs against the entry of our goods. So that there is much validity for the argument that it is advisable for a country to have a protective tariff so long as other nations have them, so that it might be used in bargaining for mutually advantageous trade agreements. The protectionists who use this argument do not always see that by its use they admit the advantage of freer trade between countries.

So much for the protectionist. The free trader, and the man who advocates as low tariff duties as are practicable, bases his case on very simple arguments. He points out what is undoubtedly so, that wealth is created by exchange and best increased by the greatest amount of freedom in exchange. Therefore, whatever tends to diminish or lessen the freedom of trade, also lessens the wealth which can be made from trade. That is a basic economic fact which cannot be refuted. Accordingly he argues that since protective duties

restrict natural trade they are harmful, and therefore the ground is taken that it is the responsibility of the protectionists to justify their actions.

The free trader points out that all duties under a protective tariff are indirect taxes and should be judged as such by the citizens. Insofar as they result in articles being manufactured domestically which used to be imported at a less price they are responsible for an unnecessary increase in the cost of living. This increased cost of living has a detrimental influence upon the production of natural products for which the country is suited since it increases the cost of such production. Particularly is this harmful in the case of such articles as wheat the price of which is set by world conditions, and which is in no way controlled by the producer. If the production cost is artificially pushed higher by the influence of a protective tariff, then the margin between cost and enforced selling price disappears and there is no profit in the occupation. That is the basic argument which influences the opponents of protection. It is, in essence, the argument of the consumer, and we are all consumers.

There are in Canada few theoretical free traders who recommend the abolition of all existing duties in favor of full free trade. They recognize that there have been many industries established in the last fifty years under the protection of those duties. These industries have made heavy investments and it would not be wise to withdraw suddenly the protection which they consider is necessary for their safety and welfare. But as a practicable measure, these free traders are convinced that a low rate of

tariff is all that is necessary and they object most strenuously to all suggestions of increased duties, or the initiation of a tariff "as high as Haman's gallows," which is the avowed purpose of those politicians who derive their support from the industrial interests.

In Canada the question comes down to one of a proper balance between the various interests of the country. Unfortunately, these separate interests are to a great extent located in separate and distinct parts of the country. This creates a sectional feeling and supports a rivalry between sections of the country which is derogatory to the national good. The greater part of the industrial interests are located in Southern Ontario and Quebec, while what might be termed the primary producer interest is located throughout the country and particularly in the western Provinces. The only sound national policy, as has been so often observed, is one which takes both interests into consideration and preserves a proper balance between them.

What is the proper balance? This surely can only be decided on the basis of the varying degree of importance of the differing interests to the welfare of the country and to the people in it. This can only be determined by a knowledge of what is produced in the country, what is exported, and how the majority of the citizens are employed. These factors must be reviewed before a sound national policy can be adopted in regard to tariffs.

In the appendix are printed some tables, relative to the productive capacity of Canada and it is from these more than from anything else that we

can obtain the information upon which a properly balanced national policy should be formulated. From one of these tables it can be seen that the total primary production of the Dominion, which includes the industries of agriculture, forestry, fisheries, trapping, mining, and electric power, was valued in 1923 at about \$1,761,000,000; while the value of the manufactures produced in the same year was approximately \$1,311,000,000. The products of agriculture alone of the primary industries amounted to almost as much as that of the manufactures. It is obvious, then, that any sound national policy in regard to the tariff, to be fair, should pay as much attention to the interests of the producers of primary products as it does to the producers of manufactured goods. The former produce more of the national wealth than do the latter.

When we come to examine the products which are exported, which form the means by which we carry on international trade, there is a much greater variation apparent, and one which demands a great deal of consideration from the framers of the tariff legislation of the country. Without making the matter involved by the quotation of many figures, it will perhaps be sufficient to quote the following extract from the writings of Mr. Adam Shortt, C.M.G., Chairman of the Board of Historical Publications, at Ottawa. In analysing the official returns for 1921-22 trade, the latest then available, he wrote, "the various products of the farm furnish Canada with nearly three-fourths of its exports, and the greater part of the remainder comes from

the mining and lumber camps, leaving the factories with but a small proportion of the exports, except in the case of partially manufactured raw materials for other industries, such as lumber, pulp and paper, etc. Completely manufactured articles of domestic production are disposed of chiefly within Canada, not beyond it." This being the case, and Mr. Shortt's standing and reputation is such that complete credence can be put in his statements, the apparent lesson is that if we wish to attain to that much desired goal of a great increase in exports, our national policy must be one which will favor and encourage the increased production of agricultural and other primary products.

So much for the statistics which give us information under the dollar sign. There is even a more important point of view from which a properly balanced national policy should be judged, and that is the personal point of view which is involved in a study of the occupations of the people of the country. How do Canadians make their living? That surely is a factor which must not be disregarded. The salient information is also to be found in the appendix. There we find that 34 per cent. of the workers in Canada, and the term workers includes everyone who depends for livelihood upon any occupation in any capacity, were engaged in agricultural pursuits as against 18 per cent. in manufactures. If we grouped the workers in primary industries such as agriculture, fishing and hunting, forestry, and mining, there is a total of almost 40 per cent. of the workers of the country accounted for, while, even if we include the trade



and merchandising classification, with that of manufactures, and obviously they could not all be legitimately so included, there are only some 28 per cent. of the workers thus employed. The remainder of the workers of the country are occupied in work common to all the industries and are only affected by any national tariff policy in their capacity as consumers. (But it is pertinent to the argument to point out that the interests of this group, totalling almost a third of the workers of the country, are, in their capacity of consumers, more nearly akin to those of the workers in the primary industries than to those in the manufacturing industries.) From this point of view of the occupations of the workers of Canada, therefore, it is difficult to escape from the obvious conclusion that, if only about 28 per cent., at the outside figure, of the workers derive their livelihood from the manufacturing industries, then no national tariff policy which is designed to serve only the manufacturing interests can possibly be a properly balanced policy for the country as a whole. It tends to disregard the interests of the majority of the workers.

We have come to the point where there have been discussed what appear to be the arguments and facts which ought to control any decision as to what should be the fiscal policy of the country. Summarized in a few sentences, they are:

The usual arguments in favour of protection are fallacious.

That argument in favour of protection which serves to protect young industries is sound, but under it there should only be imposed a moderate tariff, for a limited period.

There is loss to the net national income when articles, previously imported, are manufactured in the country under the protection of the tariff.

Tariffs are valuable for use in bargaining for freer reciprocal trade with other countries.

All duties under a protective tariff are indirect taxes and operate to bonus domestic manufacturing industries, resulting in an increased cost of living.

The producers of primary products are responsible for a greater part of the total net production of the country than are the manufacturers.

By far the greater proportion of the exports of the country are products of the primary industries.

Less than twenty-eight per cent. of the workers of the country are engaged in the manufacturing and allied industries and trades.

Many manufacturing establishments have been built up under protective tariffs in the past which now have legitimate vested interests which it would be unwise to destroy by too drastic action.

All of these statements can be proven true, although it has been possible here to do little more than to suggest the arguments which sustain them. Upon these statements and facts a sound opinion can be based as to the right fiscal policy for Canada. What should it be?

In the first place, there seems to be no justification for the initiation of a higher average tariff imposition than that which we already have. Not one of the statements can be made to support an argument for a high tariff, and there is no other sound argument which can be brought forward to justify it. Such a policy would ignore the rights and interests of the primary producers to whom we owe the greatest debt for the growth of the

country, and would be subversive of the interests of the greater number of the people of the country.

For a moderate tariff, more or less as it now exists, a strong case can be made out. A good deal of emphasis may be placed on the two facts that a moderate tariff is necessary for the encouragement of young industries and that existing industries have made investments in good faith under the protection of a tariff and it would involve hardship if it were suddenly taken away. But the continuation of the tariff for these reasons should be rigidly controlled, and should be made to apply chiefly to those industries which utilize a good proportion of the raw materials of the country in their processes. There should also be some definite understanding of the time factor and it might be advisable to grant such protection only for a stated period of years, or it might be gradually reduced over a period of years. It is much better for industry gradually to learn to stand on its own feet than to recline permanently in the shadow of a protective tariff. It is apt to become more efficient in the former instance.

Although it can be safely claimed that we have a moderate tariff in existence now, yet that tariff is badly in need of revision. It is a reflection on our political methods, which is only too true, to say that the tariff, as it stands, has been made with a greater regard to the demands of contributors to party funds, than from the actual necessary requirements of any industry. An urgent need is a sound and accurate study of the actual tariff needs of all the industries involved, made with regard to the

conditions under which the foreign competitors produce and sell their products. Without that knowledge no rate can be chosen which will reflect the salient features bearing upon any situation. It cannot be claimed that our present tariff has been scientifically framed, and the sooner the necessary revision takes place the better for all concerned.

Once that does take place, another most important factor comes into the picture, and that is the real necessity for some measure of stability to the tariff regulations. Once a general policy is agreed on, and the tariff rates revised on a sound basis, then there should be an arrangement under which the industries may feel secure enough to allow them to lay and mature their plans. If an industry knew that a certain tariff would be in force, without change, for a period of ten years, for example, then it would be able to plan its future business with some degree of certainty. Stability of a tariff is even of more importance than the rate of tariff itself.

In practice both parties, even since 1897 when the Liberals came into power, have maintained moderate tariff protection. Even the Progressive platform does not call for the abolition of the tariff but resigns itself to claim only a revision of some items downwards and a protest against increased tariffs. The Conservative party is prone to call for high tariffs during election time but in actual practice their record has not shown them to be eager to greatly increase tariffs when they have the power to do so. The real situation is that whatever party is in power at Ottawa finds that the necessities of

the case are such that a due regard to the interests of all sections of the country forces them to the maintenance of a moderate tariff, and to that only. This being the case, would it be too much to hope that all the parties could get together, in a frank recognition of the situation, and agree to a scientific revision of the tariff, on the basis of something about the rate which now pertains, with a view to stabilizing the conditions for a period of years so that the country would know where it stood, and could get down to work?

## CHAPTER TEN

### SOME PROBLEMS

*This amicable conflict with difficulty obliges us to an intimate acquaintance with our object, and compels us to consider it in all its relations.*

—Edmund Burke

IT is to no sinecure that the young Canadian is born if he is to develop any sense of his responsibility as a citizen. His outlook must be somewhat similar to that of Tom Brown, during his first few days at school, who had "all his troubles before him." At least, that is something akin to the state of mind produced by a survey of all the knotty problems which are before us in Canada, each demanding its full measure of consideration and emphasizing the necessity for an adequate solution. The present generation of young men, who must provide our leaders in the next decade or two, will have many difficulties to face, and upon their success in finding solutions will depend, to a great degree, the future of the country.

Every one of the problems could provide material for an exhaustive investigation, which, of course, is quite impracticable within the confines of such a book as this. Here an attempt can be made only to indicate the general nature of some of our problems and to discuss them rather superficially. Although many of the questions to be dealt with are inter-related, yet for the sake of brevity and clearness it will perhaps be better to place them under



the separate headings for the little that has to be written of each.

#### OUR BANKING SYSTEM

It will perhaps be a surprise that our Canadian Banking System is included as one of the national problems which must be faced. By placing it first it is not meant to indicate that it is considered the most urgent but it is of sufficient importance to give it, thus, an added emphasis.

The other day the Managing Editor of the *Daily Express* of London, England, was interviewed in Canada while on a visit here. The *Toronto Telegram* reported part of the interview as follows: "He made the startling statement that the Bank of England was a greater menace to industrial prosperity than the Bolshevik menace. Only when the Government had a Chancellor of the Exchequer strong enough not to have his policy dictated by the Bank of England, would this be remedied."

That may seem to be rather an extreme statement of a viewpoint, but it is only one of many of a similar nature which might be quoted. Here is a quotation from Mr. Hilaire Belloc. "The Banking System," he says, "and the few men who direct it, are altogether too powerful. They control our lives. They are beginning to control the public policy of the State, especially in England, and there ought to be a national authority superior to them and keeping them in order. The banks are far more powerful than Parliament."

When a man who has the standing of Mr. Belloc as a publicist and writer can write so emphatically upon the Banking System, it must challenge serious

consideration. Our system in Canada is, in fundamentals, similar to that of England, and our bankers exercise in Canada an analogous power to that exercised by the Bank of England in the Motherland. If, then, in England, they are beginning to be perturbed at the growing power of the bankers, it is not unlikely that here in Canada we may find the same indications which have there created the uneasiness. And we do.

Modern banking is a comparatively new influence in the life of nations. Not so very many years ago the private bank flourished in most communities and it was little more than a convenient depository for the funds of the people. It did not to any great extent affect the business life of the community. But gradually there came the joint-stock organization for banking, followed by a process of amalgamation, which is still going on in Canada, until now we have less than a dozen banks of importance in operation in the country. Even these operate in close co-operation with each other and exercise in combination their influence upon the life of the country. During this growing process there developed also a tremendous extension of the use of bank credit in trade, and it is this application of banking to business that has given to the banker his tremendous power over the life of the country.

It is common knowledge that most business organizations must depend upon the banks in order to obtain the requisite funds to carry on their operations from day to day, and more particularly if they wish to extend their business when satis-

factory opportunities offer. The attitude of the bank to them is vital. If the bank has adopted a general policy of restriction of credit then the operations of the business organizations must also be inevitably restricted. The result of such credit restriction is such as to affect very greatly the prosperity of the country. When an employer cannot obtain the credit he needs from the banks, it means that he cannot expand as he might otherwise do, and that, in turn, means that he cannot employ labour at the existing price levels. The process is one which must react to intensify unemployment. As such, it is a process which must be put in force only when it is absolutely essential to the welfare of the country, and not only when it might operate to suit the banks and their owners. It is open to question whether this great power, which is inherent in the banks' ability to restrict credit, is not so great a power that it should be controlled in some adequate fashion by the governing power of the people in the interests of the people. Some indication of the necessity for some measure of control is expressed in these sentences of John Maynard Keynes, the well-known writer on economics in England: "What we need to restore prosperity to-day is an easy credit policy. We want to encourage business men to enter on new enterprises, not, as we are doing, to discourage them. Deflation does not reduce wages automatically. It reduces them by causing unemployment. The proper object of dear money is to check an incipient boom. Woe to those whose faith leads them to use it to aggravate a depression!"

Upon this general basis, and upon some other less important factors, is built up the case usually made out by those who preach the necessity for banking reform. That there is an existing adequate necessity for some degree of reform is probable. But it must be realized that in the present position of economic thought the real effect of the present methods of banking on the community are but imperfectly understood, and that rash, ill-considered measures of reform might well react to the great disadvantage of a country. It is not a situation for impulsive action, but there is sufficient indication that the present system is not the best for the public good to warrant an intensive and accurate investigation in order that some plan might be worked out to control the banking power in the general interest.

As the years pass, it is probable that the disadvantages of the system will become more apparent, and the need for reform more urgent. It is to be hoped that it will not then be found that the banks are so firmly entrenched that any measure of reform will be impossible of adoption. Hilaire Belloc, to quote him once again, is somewhat pessimistic of the situation. He ends a discussion of the question by saying: "There will be a struggle inevitably between the banking, or financial, interest and the people all over civilized countries; but no one can tell which will win. In industrial countries the odds are in favor of the banks, or financiers. In peasant countries against them."

## REFORM OF THE SENATE

More and more is this question of the reform of the Senate coming to the front in Canadian politics. It needs only some action of the Senate which will touch the people closely to bring it forward as one of the live questions of the day. It is the general impression that the Senate of Canada has failed to fulfill its destiny, or to serve the end for which it was created by the Fathers of Confederation, and it is because of the existence of such a general impression throughout the country that it is worth while to discuss the matter.

The Canadian Senate was first constituted at the time of Confederation by the British North America Act of 1867. At that time it was to have 72 members, 24 each from Ontario, Quebec, and the Maritime Provinces. They were not to be elected but appointed by the Governor-General, in the Queen's name. A \$4,000 property qualification was enjoined, and regulations concerning resignations and dismissals were included in the Act. Various changes have been made in the Act since that date, but chiefly in regard to numerical representation as the new Provinces were formed. The last amendment, in 1915, placed the western Provinces on a par with the other groups, giving them 24 members, thus making a total membership in the Senate of 96. It is interesting that this last Act still carries the provision, which was made in the Act of 1867, by which memberships are provided for Newfoundland at any time that Dominion should join with Canada.

It was not without cause that it was decided that Senators were to be appointed, and not elected.

On this point a great deal of discussion took place, and since the question of the advisability of election comes up in most suggestions for the reform of the Senate, it is obviously advisable that we should know something of the ideas which caused the original decision in favour of appointment. At the Quebec Conference, which initiated the Confederation project seriously, discussion was keen on the mode of choosing the members of the Upper House. McDougall and Mowat proposed that it should be elective, but this was opposed by the Maritime delegates, with the exception of the Prince Edward Islanders. The method of appointment, supported by George Brown and John A. Macdonald, won the day. It was felt that two elective Houses were not compatible with the responsible Cabinet system which was being inherited from Britain, where the Upper House was not elected. In favour of appointment, also, was the fact that the large constituencies necessary for the election would be expensive and impractical.

John A. Macdonald was to the forefront in the discussion on these points. He contended that the limitation of membership and the appointive system in the Senate would prevent its "being swamped from time to time by the ministry of the day" and "make it, in reality, a separate and distinct Chamber, having a legitimate and controlling influence in the legislation of the country" and "preventing hasty or ill-considered legislation." He pointed out, too, that the dangers of deadlock, from which they had been suffering for years, and which had been one of the chief causes of the federation movement, would be much greater with two elective houses.



Although to the ordinary citizen, the Senate seems to be a quiescent body coming to public notice only when it interferes with some partisan bill which the Government of the day has wished to carry, and although to many it seems, even, to be a quite unnecessary addition to the governmental machinery, yet it is not wise to conclude that there are good and sufficient grounds for its abolition. The Senate was incorporated in the constitution of Canada for definite reasons, and to serve certain ends, and those reasons are just as essential to-day as ever, although perhaps not so apparent.

It must be remembered that Confederation was the product of an agreement between three existing Provinces, or rather, three existing provincial territories, Upper Canada, Lower Canada, and the Maritime Provinces. The Quebec resolutions were, in essence, the basis for a treaty between the three in which they agreed to unite to form a federated Dominion. It was agreed that in the Lower House there should be representation by population, but, since the more populous Provinces would then have a majority of representatives, it was decided that the Upper House, or the Senate, should have an equal number of representatives from the three sections; so that, in the Senate at least, the Provinces with the smallest populations would be on a par with the others and so able to protect their sectional interests. This point of view was expressed by John A. Macdonald in the debate on Confederation in the Legislature of Canada in February, 1865, when he said:

In order to protect local interests and to prevent

sectional jealousies, it was found requisite that the three great divisions into which British North America is separated should be represented in the Upper House, on the principle of equality. . . . Accordingly, in the Upper House, the controlling and regulating, but not initiating, branch, we have the sober second thought in legislation, which is provided in order that each of these great sections shall be represented equally by 24 members. . . . To the Upper House is to be confided the protection of sectional interests, and therefore is it that the three great divisions are there equally represented for the purpose of defending such interests against the combinations of majorities in the Assembly.

The Senate exists, therefore, as the guardian of the smaller Provinces, and since these Provinces were persuaded to enter Confederation in the knowledge that this safeguard was being provided for their interests, it is unthinkable that the safeguard should be abolished without their consent. The life of the Senate, in Canada, should be assured if for no other reason than this, that it was a part of the inducement held out to the smaller Provinces to persuade them to come into the Dominion. As such it is sacred so long as they wish it maintained.

A Senate which is functioning properly is very useful to the body politic, and serves a purpose quite distinct from that of the elected House of Commons. It reviews all the Bills passed by the Lower House and sees to it that they are expressed in clear and unmistakable language, and that there is behind no single Bill any selfish interest desiring to profit by it at the expense of the general public. It should amend, or reject, measures designed to serve partisan rather than public interests, delay measures which it considers sufficiently important

to require a direct mandate from the people, and check hasty legislation which is the result of evanescent popular clamour. It should, in the language of Sir Alexander Campbell, be "calm, considerate, and watchful to prevent the enactment of measures which, in its deliberate judgment, were not calculated to advance the common weal." It is not necessary to dwell on the point. When one gets under the surface of this question of Senate reform it becomes obvious that reform by a process of abolition would be akin to killing a patient to cure a simple disease. There is work for a good Senate to do for Canada.

Yet the Senate, as it exists, does not command any large measure of respect of the citizens of Canada. It is not highly thought of and there can be traced, often, something of contempt in the way the average man speaks of it. Its history since Confederation has not been one of great achievement, nor has its personnel, as a whole, been such as to do particular honour to those ancient attributes of wisdom, experience, and honour upon which the very system of a Senate was supposed to have been founded. If it has done nothing to bring particular obloquy upon itself, it has, on the other hand, done nothing of outstanding merit. The result has been the growth of an almost complete indifference to it on the part of the people. So great is the indifference that it is difficult to even make people see that reform of a kind is necessary.

It is fairly obvious that the reasons for the degree of contempt in which the Senate is commonly held is the fruit of the method of appointment which has

been in force, that of appointment for purely partisan services. It has degenerated into an old man's home for political party workers. That is a bald way of saying it but one which must meet with general agreement. Added to this there is also the popular opinion, one which is founded upon some degree of truth, that the business and moneyed interests of the country have found in the Senate a body particularly ready to do them service. That factor does not enhance the regard in which the House is generally held.

So that, while it may not be wise to agree that there is cause for the abolition of the Senate, or that it can serve no useful purpose in the Government of the country, there is most emphatically cause to object to methods by which the appointments of Senators have been made in the past. The country is no longer ready to agree that senatorships should be reserved as the largest plums on the tree of political patronage. It would demand, if it could find its voice, that some system be adopted which would place the men of real worth and sound wisdom in the Senate, where they belonged. Only by the appointment of the right men will there be produced a Senate which could fulfil its purpose and justify its existence.

There are many advocates of Senate reform who would achieve their purpose by making the Senate membership elective, rather than appointive. But it can hardly be maintained that the elective method has been so successful in producing the finest type of men, where it has been operative, that there is cause to think that it would send to the Senate

the type of men which should be there. Elective methods would send the demagogue to the Senate, and not the statesman, would send the man who could best appeal to the votes of the people by whatever method might prove to be the most successful, honourable or otherwise, and not the man of worth who refuses to stoop to questionable methods. The elective method would soon place the parties in control of the elective machinery, and, as a consequence, place the candidates under the control of the party organizations. Gone would be all chance of independence and due deliberation within the confines of the Senate. Aside from all the inconvenience, expense, and difficulties of such an election, there is too small reason to think that there would be any improvement in the calibre of men to serve the people in the Senate. Indeed, to those who know the workings of existing electoral machinery, and the results obtained, the idea of an election appeals only as a jump from out of the frying pan into the fire. That way lies no solution. Carlyle knew the lack of wisdom of an electorate when he wrote: "Universal suffrage assembled at hustings—I will consult it about the quality of New Orleans pork, or the coarser kinds of Irish butter; but as to the character of men, I will if possible ask it no question; or, if the question be asked and the answer be given, I will generally consider, in cases of any importance, that the said answer is likely to be wrong—that I have to listen to the said answer and receive it as authentic, and for my own share to go, and with whatever strength may lie in me, to do the reverse of the same."



If then, the existing method of appointment is not effective in producing such a membership as the Senate should have, and if we can place little faith in any elective method to improve matters, is there a way out? There is a method, if the political leaders are big enough, and brave enough, to adopt it. It only needs a revision in the way in which the names of appointees are placed before the Governor-General for appointment. At present, the recommendation comes to him solely from the Prime Minister, who, by the strength of custom almost invariably recommends those who have been of service to him and to his party. If a method could be adopted which would eliminate, as far as possible, this use of the Senate membership as reward for party service, then the way would be clear for the appointment of men on their merit, and on that alone. It could be very simply done by a resolution of the House of Commons, which would in all probability involve no necessity of change in the constitution of the country.

If the House of Commons, by agreement between all parties, would create a Committee consisting, say, of 20 members nominated by the Leader of the Government, and 20 members nominated by the Leader of the Official Opposition, and place upon that Committee the full, and sole, responsibility of recommending to the Governor-General who should be appointed to the Senate, then that Committee could be so regulated that there would be little chance of nomination of anyone whose only claim was one of service to a party. Particularly would this be so if it were required that three-quarters of



the vote of the members of the Committee should be required before a nomination could be made to the Governor-General. If the meetings and debates of the Committee were open to the public there would be a still further safeguard that appointments would only be tendered to men who deserved well of their country, and it would be found that outstanding men outside the realms of party politics could be tendered nominations more easily than the politician, who must of necessity have party affiliations, and have earned party enmities.

Such a Committee should be small enough so as not to be unwieldy, but it would be more important to have it large enough that it could not easily be manipulated. There would be, here, a true application of the proverb that "There is safety in numbers." The great power of appointment which the Committee would have would make it the target for unscrupulous manipulators, but there could be evolved a sure protection against these gentry by having the Committee of a sufficient size, and by having it carry on its deliberations in public. Such publicity would force dignity upon the deliberations and discussions. One can readily imagine it being possible to have it become an honour even to have one's name discussed for appointment, if the discussion were on the high plane of past services to one's country, and of future possibilities of still further service to it.

This plan has the decided advantage that it would not probably need any revision of the Constitution, and this is a matter of some importance. Any change in the Constitution requires three different

steps to be taken, and these are such as to render it very difficult to make any radical change in the make-up of the Senate. These steps are: First, the consent of both the House of Commons and the Senate; second, the consent of all the Provincial Legislatures; and, third, an Act of the British House of Commons, approved by the House of Lords.

Since such procedure is necessary, it is over optimistic to hope that any radical change in regard to the Senate could be brought about, unless the Senate took some step which really aroused the people. This they are not likely to do, and radical steps in Senate reform are accordingly not likely to occur. But if the required reform could be brought into being merely by some such action of the House of Commons as has been suggested, then it is a much more practicable matter, and one for the accomplishment of which there could be grounds for hope.

Such a step would require an exhibition of altruism from the political leaders for which it is vain to hope, unless there is apparent a demand for it on the part of the people. Public opinion is the only force which could bring it about. If either one of the parties would only realize it, the adoption of such a policy of Senate reform would be a source of great political strength, for the people of Canada are hungry for any kind of indication from any party, that a party is capable of thinking of the welfare of the country ahead of its own partisan interests. A party which would undertake to discard its former prerogative of the granting of Senatorships as one of the perquisites of office, would be

amazed at the support that would accrue to it at that evidence of a denial of its own interests.

#### THE RAILWAY QUESTION

Our attitude towards the railway problem to-day must be one quite different to that which justifiably could have been adopted a few years ago. The really marvellous progress made by the National Railways in the last year or two has put an altogether different light on the matter, and has changed the factors upon which any sound judgment must be based.

There are certain salient features in the history of our railways which still affect the situation, and these should be recalled from time to time so that they may aid in the illumination of present difficulties. The sources of our problem should be borne in mind, and the reasons which forced the amalgamation of various lines into the National System.

The opening of the century saw a great increase in the number of immigrants annually arriving in Canada. The number gradually grew from under 20,000 in 1901, until it reached its maximum in 1913, when over 402,000 immigrants came to the country. This continual, and rapid, increase in the population was responsible for a too great confidence in the immediate future, and was the fundamental cause of the "boom" in the West, as well as for the very optimistic era of railway building which it ushered in.

Some degree of railway expansion became necessary, especially to relieve the great congestion which

developed on the single line of the C.P.R. between Winnipeg and Port Arthur. The Grand Trunk Railway applied for the aid of the Government in order to build a transcontinental railway. About the same time Messrs. MacKenzie & Mann, who had amalgamated a lot of small charters to form the Canadian Northern Railway, and so created the nucleus of another transcontinental line, also applied to the Government for aid. Sir Wilfred Laurier tried to bring the two applicants together on a compromise arrangement but his efforts in this regard failed.

After much negotiation, the Government finally chartered the Grand Trunk Pacific, which was to run from Winnipeg westerly to the coast, and it undertook itself to construct the National Transcontinental which was to run from Moncton to Winnipeg, through Northern Quebec and Ontario. This latter line was to be leased to the Grand Trunk for fifty years at a nominal rental.

At the same time, both by the guarantee of bonds and by cash subsidies, the Canadian Northern Railway obtained support from Dominion and Provincial authorities and were enabled to carry out their program for a third transcontinental railway west of Winnipeg as well as extend their lines in Ontario.

The National Transcontinental, built under political auspices, cost in the end over three times what the original estimates called for, and since it was built through a country without population, it proved to be a white elephant from the start. Laurier's decision that the country could support three transcontinental lines did not appear to be

a wise decision, and it is quite probable that the need for Government aid, which is commonly supposed to have been created by the war, would in any case have been inevitable, had the war not occurred.

At any rate, soon after the outbreak of the war, the increased cost of operation of the railways made it imperative that they receive substantial Government aid. The situation seemed so urgent that the Government was faced with a choice between a policy of continued subsidy, or one of taking over control. After a Commission had sat on the question, the Government finally took over, one after the other, all the railway lines outside the Canadian Pacific Railway organization. The unification of all the lines taken over was not finally brought about until the early part of 1923, when Sir Henry Thornton was brought over from England to assume control for the Government.

Some salient features of the situation, as it existed in that year when the Canadian National Railways was first launched as a distinct and complete entity, are shown in the following figures. They form the basis upon which future progress may be judged.

	Canadian National	Canadian Pacific
Mileage.....	20,574	13,564
Capital Liability.....	\$2,207,502,645	\$677,582,428
Gross Earnings, 1923.....	\$216,578,176	\$192,827,930
Operating Expenses, 1923.....	\$204,921,713	\$155,040,207

The tremendous difference in the capital liability of the two lines, even after taking into consideration the difference in mileage, constitutes the great problem. In that year there was not a man in Canada who believed that the National Railways

could ever earn enough to pay the interest on their capital commitments, and many doubted whether they could year after year make even a surplus on their operating account. Even in February, 1924, a year later, little credence was placed in the following statement which Sir Henry Thornton made in a speech at Montreal:

If we are permitted to carry out as conscientiously and honestly as lies within our capabilities the policies now governing the Canadian National Railway System, it will cease to become a burden upon the Canadian taxpayer, and in ten years it will be as efficient a railway system as there is in the world.

Only three years of that ten years have passed, and the results have been astounding, and most pleasing. At that time the road was only beginning to make its operating cost, and there was little surplus to go to paying its debt charges. These the Government had to pay and to call on the taxpayer to find. But the situation has changed until in the last year the operating charges have not only been met but the Nationals have been able to pile up a surplus of some \$40,000,000 to be used towards the payment of their debt charges. This is sufficient to pay the interest on all the borrowings held by other interests than the Government. If in three years such progress can be made, then it is not hopelessly optimistic to hope that in another few years the National Railways will be able to pay the full \$70,000,000 of debt charges, which constitutes their annual burden, and so relieve the taxpayer from all necessity of participating in the necessary payments. Sir Henry Thornton's ten-year estimate yet may prove to be within the mark.



If this is accomplished, it will be something which a year or two ago was not thought possible. The results already attained are such that it is only just, and it is good business too, for Canadians to give a full measure of credit to the present management of the Canadian National Railway System. The whole staff have demonstrated that they are eager to promote the welfare of the system, and they are giving a service to their railroad which is the envy of railway operators throughout the world. They deserve every bit of backing that grateful citizens can give them.

The advances which have been made have been accomplished largely through the due observance of one important policy, and that is the absolute necessity of keeping the management of the system out of politics. It has been so kept out the last few years, and it is in this that there lies the only real security for the future. Once a political control becomes operative then we can no longer expect progress to be made. Retrogression, indeed, will be faster than progress has been. So that, so far as the general public is concerned, their great, and almost their only concern in regard to the railway problem, is to see that no political influence ever is allowed to assume any measure of control. If it ever is allowed, then the taxpayer will soon have the full burden once more on his hands.

Our whole conclusion in the matter, then, is that what a few years ago loomed up as the most serious of our national problems, is no longer to be looked on as a menace to the national welfare. It is a problem which is by way of being solved, and it

seems to be the path of wisdom, for the present at least, to allow events to take their course in the hope and expectation that the progress will be maintained.

That does away with the necessity of here discussing various proposed solutions in the nature of amalgamations with the C.P.R. under State control, or plans for the promotion of co-operation between the two lines, which might have been practical questions if the National System had not progressed as it has done.

But, in the light of such progress, it becomes quite theoretical to discuss solutions for difficulties which are fast disappearing in practice. For the present, we can leave them alone and hope that the future will be such that there will be no necessity to resurrect them.

In the meantime let every Canadian constitute himself a guardian of the National System, with a firm decision to keep it forever out of politics. In that way, and in that way only, lies safety and progress.

#### THE NATIONAL FINANCES

There is nothing involved, or particularly difficult, in an understanding of the more important, basic features of the country's finances, although most people seem to fight shy of any attempt at such an understanding. How anyone interested in the welfare of Canada can ignore the evidences of her progress or otherwise, as shown by the annual financial statements, is difficult to understand. One might as well attempt to form an idea of how a

business venture is progressing simply by accepting the general impression which is current about it, and paying no attention to its balance sheet.

Governments should stand and fall, to a much greater degree than they do, by the effect of their rule upon the national balance-sheet, over the period of years during which they have been in power. Just as the efficiency of the management of any business is judged by the financial report, so should that of a government.

Some of the more important features of the financial situation of the Dominion should be known to every citizen. In order to make them readily understandable, it is advisable to compare recent figures with the figures of some year before the war, so that we can form some reasonable estimate of the effect of the war upon our finances. The years which are chosen for comparison, therefore, are the fiscal year ending Mar. 31, 1914, and that ending upon the same date in 1924, ten years later.

First, there is the following comparison regarding the net Public Debt of Canada.

	1914	1924
Net debt . . . . .	\$544,391,369.00	\$2,819,610,470.00
Net debt per capita . . . . .	43.68	262.04
Interest paid on debt . . . . .	12,893,505.00	136,237,872.00
Interest paid per capita . . . . .	1.68	14.60

There you have an indication of what the war cost Canada. It has been, by far, the chief factor in the huge increase in our net debt, which has more than quadrupled in the ten-year period shown. It has to be borne in mind, too, that the net debt previous to the war was contracted for public works of general utility and, for the most part, there

existed a tangible asset to account for the expenditure. It was a debt, broadly speaking, incurred for public purposes. The increase in debt accounted for by the war is a dead loss to the country, and is represented by no asset other than the world "goodwill" caused by the success of Canada's participation therein. Another factor in regard to the debt is that the rate of interest that has now to be paid is much higher than previously, but this is being gradually reduced by a process of re-funding at times when the market is favourable.

The distribution of the net debt is a feature of supreme importance in forming an accurate opinion as to the effect upon Canada of the huge increase in what the country owes. It is gratifying to find out what a great part of the National Debt is owned in Canada, our own citizens being their own largest creditors. Of the total no less than \$1,895,088,856 is payable in Canada, while, of the balance, \$301,786,046 is payable in London, and \$210,932,000 in New York. This is important in that it is an economic loss to the net national income to have to pay interest on loans held abroad, while in the case of loans held within the country, the net national income is not affected, but only the distribution of wealth within the country.

Important figures also are those which show how the annual income of the country is being spent. There is a great deal of loose talk about the excessive extravagance at Ottawa, but very little authoritative knowledge current as to where the money actually goes. Below is a short analysis of the expenditures of the country for the fiscal year ending March 31, 1924.

A total of \$370,589,247 was disbursed, divided into sections as indicated.

1. Departmental Administration, which includes the cost of all non-revenue producing government services .....	\$87,760,905
2. Cost of revenue-producing departments, which chiefly includes the Post Office and Customs Departments.....	42,519,318
3. Subsidies to Provinces.....	12,386,136
4. On Capital Expenditure.....	10,861,277
5. Charges on National Debt.....	137,231,779
6. Pensions.....	33,411,081
7. Soldiers' Civil Re-Establishment.....	9,970,993
8. Soldiers' Land Settlement.....	1,532,978
9. War and Demobilization account.....	446,083
10. Cost of Loan Flotations.....	7,705,544
11. Advances to Railways.....	23,710,617
12. Advance to Merchant Marine.....	1,500,000
13. Advance to Quebec Harbour.....	449,000
14. Sundry.....	1,103,536
Total.....	\$370,589,247

This is the way the money of the country is being spent, and it is from a study in detail of how these figures are made up, and from that only, that a sound opinion could be formed as to where savings could be made. But in general, even this summary can give us much information.

Notice, for instance, the number of items almost entirely due to the war. Since almost four-fifths of the existing national debt can be charged up to the war, at least \$100,000,000 of Item No. 5 above must be due to the war. All of Items Nos. 6 to 10 can be charged to the war. All these purely war expenditures total over 153 millions against the 370 millions spent, leaving 217 millions for all other expenditures. But about 25 millions was spent as shown above for the requirements of the National Railways and for the Merchant Marine.

Since this is a special disbursement, and one not under the direct control of any Government, it might well be deducted in making an estimate of what might have been our budget had not the war intervened. There is a total left of some 192 millions to cover all the charges to-day which were normally covered in an average year before the war. This figure gives us a rough comparison with the amount actually spent in the fiscal year ending in 1914, just before the war, which was some 186 millions.

So that to-day, for the purposes covered by the Government in 1914, there is little more being spent than there was then. This doesn't mean much more than that it refutes the statement often made that the scale of governmental expenditure is now much greater than it was before the war.

Notice too, how much of the total expenditure is quite uncontrollable by any Government at Ottawa. Items 1, 2, and 4 include practically all the expenditures which are directly controlled by the existing Government, and these amount to only some 141 millions out of the 370 millions total. All the thrift and economy must be put into practice in regard to this amount of expenditure only. There is undoubtedly room for economy, yet it is only fair to those in control that the difficulties of the situation be generally recognized. They have practically no control over the greater part of the expenditure. We have called the tune, and willy-nilly, must pay the piper.

Faced with such figures it is obvious that the country must be heavily taxed, and that for some



years to come. Only a Government willing to pile further burdens upon the future could make any radical decreases in the weight of our taxation, and that is a method which should not be tolerated at the present time. Too often has it been used in the past, and the immensity of our debt is its obvious monument.

The responsibility of Government, then, comes down to the point, not of greatly decreasing taxation, but of adopting such methods of taxation as can best be borne by the people, and as will best aid the fast development of the country's production. The efficiency, and fairness, of the taxing system is what must count, if it is recognized that high taxation is, in itself, inevitable for many years to come.

#### IMMIGRATION

Sir George Foster, so it is said, is fond of saying that Canada's troubles will be ended when there are 20,000,000 people within her borders. In the main that is true, and, being true, it follows that the problem of bringing people to this country, of a right quality and in sufficient numbers, is the one which most urgently demands a solution.

Under the urge given to it by Sir Clifford Sifton in the first decade of this century, immigration to this country increased year by year until, in 1913, it reached its high mark of 402,432. War brought it to a sudden stop, and the post-war period has not as yet seen its resumption on anything approaching the pre-war scale.

We have a population of some 9,000,000 people scattered over an area which could readily support

many times that number. Our systems of government, and of transportation, were expanded with an eye to a population double our present number, which by now might have been attained had not the war intervened.

Practically all our national problems, such as our sectional differences, heavy taxation, national railway deficits, high cost of distribution, high freight rates, are such as would be immeasurably mitigated if the burdens were carried on the shoulders of 20,000,000 people instead of the present 9,000,000.

That, in essence, is the reason for the urgency of some real solution of our immigration problem. We must have population to develop the country and to allow the plant which we have already created to function at full capacity. Where can we best obtain the people, and how should we go about it? On the face of it something is wrong with our present methods, which must be judged on the simple basis of the lack of results—that they have failed to bring the right immigrants to our land in sufficient numbers.

It is pitiful to contrast the differing situations to be found at present here in Canada and in the Motherland. The fundamental trouble here is lack of population, and there their basic difficulties arise from an excess of population. That population in the Motherland which is an economic waste there because of more or less permanent unemployment, could be turned into a productive unit here in Canada, if only, and here is the crux of the situation, we had men on both sides with vision, and ability, and will enough to face the situation, to

adopt the proper policies, and to develop the organization necessary to put such policies into force. There is nothing basic which prevents one earnestly conceived plan from solving both problems, beyond the lack of capacity and will to accomplish these things in those who now have the authority and the responsibility. There are, of course, tremendous difficulties, but not insuperable ones.

The whole matter must be dealt with on different lines than in the past. The ordinary channels and methods of governmental departments are not sufficiently broad, or inspired, that we can expect the solution to come therefrom. The Rt. Hon. Arthur Henderson, a member of the former Labour Government in England, saw something of what should be done after a visit which he made to this country, and on his return, he suggested a joint Anglo-Canadian Commission "for securing immigration on better and bolder lines than in the past." That word "bolder" has in it something of the newer spirit in which the problem must be attacked.

Either a great deal, or a very little, should be written on this problem of immigration. To cover the matter adequately, it would be necessary to produce a long and careful thesis after a long and careful investigation. That, of course, is out of the question here, and neither is it necessary. All that may be done here is to suggest something of the scope and the urgency of the work, and to indicate something of the spirit in which it must be attacked and solved.

No over-optimistic stories of conditions here must

be used to mislead people to come in their thousands. The type we want are the type who know that there will be hard work to face, but who are willing to face it for the sake of winning through to comfort and independence. The instances which should be used in publicity work are those of immigrants who have themselves made a success. Men who have done so, indeed, would make the best immigration agents in the Old Land, where the tale of their own experiences would carry more weight than anything else. A paragraph such as the following which the *Spectator* printed in England, copied, it seems, from the *Toronto Financial Post*, does more to interest the right type of people to come to Canada than all the general publicity that can be launched.

In 1907 my husband and I homesteaded. We had just \$70 and a few household effects. We built a shack and bought an ox-team and a breaking plough, a few hens and a cow. Fair crops and gardens followed the cultivation of the sod. A brood sow and a horse were then purchased, calves were raised into cows, and a fine pen of hogs supplied us with meat and cash. To-day we own 18 head of horses, 35 cattle and are milking 5 cows. All the land is cultivated and everything is paid for. There is a full line of machinery, two gasoline engines, a motor car, garage, large two-story barn, and a five-roomed house, a small orchard, and a berry plantation, beds of rare perennial flowers, an avenue of maples, an ice house and many portable granaries to house the increasing yields of grain. Labour-saving devices for household work have been installed. A telephone connects us with long distance and rural. Radio brings us news, concerts, lectures and church programs. Education and musical advantages have been given the family. No help has been received—the rich soil, ideal

weather conditions and excellent pastures have brought about these results.

Our present Canadian development is artificial, with a too great emphasis placed upon the industrial life, and this has resulted in the favouring of an urban development over a rural one. Immigration must serve to balance this condition, not to accentuate it, which is only another way of saying that our immigrants must go on the land.

To send them on the land means the necessary provision of an organization which will keep them there and help them to be successful there. Proper colonization methods are as essential as right immigration methods, and the two should go hand in hand. }

A study of past experience of settlers in Canada indicates something of the methods which could best be adopted. It is probable that the greatest success in the past has arisen where groups of people of one nationality have settled together in more or less self-contained units. Germans in western Ontario, and in Manitoba, Selkirk's settlements in Prince Edward Island, Russian settlements in the West, all have had advantage over the indiscriminate placing of settlers in varying locations in the country. Realizing this, it can be considered probable that if Britishers could be settled in communities, self-contained so far as that is possible, that they would win their way to success, and become prosperous and contented Canadians. In the development of their own community, they would find an interest and companionship which would give a zest to the hard work necessary to their

success; and, being Britishers already, they would not be furnishing us with another grave Canadianization problem.

The whole matter needs a "bold" development, not one in the usual governmental spirit, but in that of the big business man who sees an urgent problem, and who attacks it enthusiastically, courageously. There is no reason why this problem should not be so attacked, but it will never be until the Governments concerned are big enough to place the responsibilities on shoulders able and willing to bear them.

Let there be such a joint Anglo-Canadian Commission as Mr. Henderson has suggested, but let the members of that Commission be the biggest, brainiest, most able men each country can produce, chosen without regard to political partisanship, or of expense, or of any other limiting factor. It would be the most important work that could be done for either State, and should command the most important men. Then give that Commission the powers to act in keeping with the responsibilities they would have to assume in order that the problems might be solved. Let their work, and their reputations be judged by the number of thousands of discouraged Britishers they can turn into contented, prosperous Canadians, still owing allegiance to the Union Jack. Granted a brave enough policy, there should be no fear of the results.

But, above all things, Canadians must remember that the right solution of the problem of immigration, which means the obtaining of the right results, is essential to the future of the country, and that no



Government at Ottawa which does not face the matter in a new, broad, and courageous fashion, is worthy of being maintained there in the confidence of the people.

## CHAPTER ELEVEN

### ANOTHER PROBLEM—UNEMPLOYMENT

*Men in that time a-coming shall work and have no fear  
For to-morrow's lack of earning and the hunger-wolf anear.  
I tell you this for a wonder, that no man then shall be glad  
Of his fellow's fall and mishap to snatch at the work he had.*

—William Morris.

THE problem of unemployment is a human problem. Only those who have wished to work, when they could find none to do, who have seen loved ones distressed and unprovided for, who have faced the hopelessness of such a position, only those can really know how human a problem it is. So long as there is no solution for the problem of unemployment, just so long will there be women and children suffering and needy, just so long will the iron enter into the souls of men, just so long, and just to that extent, will civilization itself have failed.

It seems to be particularly wrong that we should suffer unemployment to exist in Canada. Canada, with its need of development, with its need of men, with the abundance of work which needs to be done, surely here of all places should there be no problem of the unemployed. But there is such a problem, and by its very existence, there is a challenge to every good Canadian to see that it is overcome.

When a casual mention of the matter is made some unthinking mind so often suggests that there would be no problem if the unemployed were not also unemployable. This is the usual Pharasaical

covering up of the problem by a process of placing the blame upon the shoulders of the unemployed themselves. They, as a class, are visited with the sins, and presented gratuitously with the reputations of the laziest and worst types amongst them. According to the usual polite conversation, all are tarred with the same brush, and really there is no excuse for them!

But it is not so! It needs only a little investigation to prove that it is not so. The fact is that the big bulk of the unemployed are so involuntarily, and are so from causes quite outside their own control. It is easy to find facts to prove this. When an industry decides that it has to cut down its working staff, is it the man's fault that no other work can be found? Is he in a position, he and his comrades, to provide work? There are facts in the *Canada Year Book* which gives us a view of the problem. There one may find a table showing the numbers of people employed monthly by some 6,000 Canadian industries, based upon accurate returns made by the industries themselves. During the summer months of 1923 these industries gave employment to some 820,000 workers. But in January, 1924, just a few months later, these same industries could only give employment to some 715,000 workers. What happened to the other 105,000? Could it conceivably have been altogether their fault if that winter found them unemployed?

Oh, no! the blame cannot lightly be placed upon the already heavily burdened shoulders of the unemployed themselves. We will have to put off

the armour of indifference and ignorance by which we are prone to protect ourselves from this wholesale raid upon our sympathies, and face the question. Most of the army of unemployed, which winter usually finds in our cities, have others dependent on them, have others looking to them for food, protection, and homes. It is a human problem which must be faced, and not merely an academic question of industry or economics. When will it be treated as such?

And even granted that there are some of the unemployed who are unemployable, yet whose fault is that, pray? Have they had the pride of ancestry that we have had? Have they had the bringing up that we have had? Have they had the advantages of good homes, pleasant surroundings, good food and good schools, as we have had? Had we spent our childhood as they had to spend their childhood, would we have been much different? Ill-health, under-nourishment in childhood, slum life, faulty and short education, bad treatment, and, above all, an unfortunate ancestry, are the factors which produce the unemployable. And those are factors which are possible of correction, which it is the responsibility of society to correct; and society is simply something which includes all of us. Can we place all the blame on the shoulders of the unemployed?

There is too much of a tendency to treat the cure of unemployment as a matter of soup kitchens, indiscriminate relief work, and similar measures at times when the need seems acute. Mr. Pethick Lawrence has a good story, in this connection, of

the Irish peasant's cottage which had a hole in the roof. It never got mended, and always leaked, because in fine weather there was no need to do it, and in the wet it was too slippery to get up on the roof. So, adds Mr. Lawrence, "It is much in this spirit that the tragedy of widespread unemployment is usually treated; when times are good no one thinks about it; when they are bad, it is mostly too late."

Isn't it possible, here in Canada, to attack the problem rationally, and in the same manner as other problems are attacked, and solved? We seem always to do nothing, until the times, especially in the winter in the city, when we find ourselves face to face with it, when we rush around to provide what doles and other relief the occasion seems to demand. We see the spectacle of the Federal Government, and the Provincial and Municipal Governments, passing from one to the other and back again the responsibility for finding the solution. No one will accept it; all want to drop it in fear of the work or the expense it would involve, or of the possibility of failure which might have an unfavorable reaction. When will someone rise up in the circles of those who lead us who will see the problem only as an opportunity for great service, for doing something worth much to his fellows, and to his country? Is that spirit altogether gone from the land, and do we produce no more men of the stuff of which our pioneers were made? They were accustomed to facing their problems openly and frankly, and battling with them until the victory was attained. Who will do it for us in these days?

The causes of the existence of unemployment in the ranks of the workers of any country are many, and we are chiefly to be concerned with those over which the worker has no individual control. Those causes over which he has some measure of control are such as to be remediable, but the remedies lead to the establishment of social legislation with a view to making him help himself to as great extent as possible. The consideration of such remedies would bring us to a discussion of sociological matters which are not here our direct concern, although they have, undoubtedly, a bearing on the subject.

But the causes which operate altogether beyond the control of the worker are those which should properly be the concern of all of us. If he cannot himself control them then they must be controlled for him and for the general welfare. These causes are various. Seasonal industries, and industry which is carried on by casual labour, create unemployment at more or less regular periods. Many industries are affected by changes in the weather, and by seasons, such as the building trades. Other industries depend largely upon semi-skilled and unskilled labourers in times of pressure and have no work for them in normal times. We see this at the docks, in large construction works, and, to some extent, in the iron and steel industry. Accidental circumstances, too, produce unemployment, such as the displacement of labour because of the progress of invention, of a change in the public taste, or in what the public want at any time. We have seen an obvious example of this in our day in the change from the horse-drawn carriage to the automobile.



Causes relating to the management of businesses, such as bankruptcy or failure from other reasons, removal of plants, consolidations, unfairness of foremen or employers, all contribute their part to the total of unemployment. In none of these has the worker much influence. He becomes the victim of circumstances, and thousands such have joined the ranks of the unemployed when their chief desire was an opportunity for certain and permanent work.

In Canada, perhaps the chief cause of unemployment is the existence of the habit of seasonal trade. Much of our activity is curtailed in the winter, ★ and to a large extent this is unnecessary. The result is a huge percentage increase in unemployment in the winter months, just when the climate is such as to multiply and magnify the misery and discomfort of the victims of that unemployment. Our cities fill up with men who cannot find work to do, and the problem is annually on our hands.

Now a great deal of this seasonal unemployment is not necessary. By careful, informed management industry could extinguish much of it. In such trades as that of building it has been found that winter construction can be carried on effectively, and economically, if properly planned. In other industries, there are many policies which aid in the regularization of staffs, preventing fluctuation, and consequent unemployment. The standardization of products makes it feasible to manufacture for stock during slack seasons. The securing of orders as far in advance as possible allows for uniformity of production, and the adding of new lines

designed for production during the slack season helps the situation. Added to such policies, much can be accomplished by the development of export trade, even at cost if necessary, since it is of assistance in stabilizing the labour market, employing excessive industrial plant, and promoting that international exchange of goods by which chiefly a nation becomes wealthy.

These are general statements, and nothing more. But the point of the matter is that there is little doubt but that unemployment created by the adverse effects of seasonal trade, could be largely averted by accurate investigation and resultant intelligent action. Results could be obtained if only an adequate attempt were made. Why should it not be made?

A more general cause of unemployment than even seasonal trade is the very irregularity of trade itself, the more or less regular rotation of slump and boom conditions known as the business cycle. In all countries this phenomenon occurs and the best we could hope for is to adopt methods which would render the peaks and depressions of the curves less severe. If, by any means, we could cause industry to be run at a more constant pace, and avoid the valleys of deep depression, as well as the peaks of booming prosperity, it would do much to alleviate the present unemployment which times of depression now brings to us.

There are two ways, at least, in which much could be done towards the achievement of this end. The first requires rather delicate manipulation of the economic machinery and is something

which was mentioned before when the matter of banking was being discussed. It has to do with the regulation of banking credit. Under present conditions credit becomes unduly restricted in times of depression, and remains so, making it difficult for industry to progress. It is not improbable that if credit restriction were to be enforced sooner in the cycle, that it might be efficacious in modifying the depression; and also that usually it might be found advantageous to open up credit during periods of depression long before bankers usually think it desirable to do so. It is a question which needs intelligent investigation from the point of view of the national welfare. The power of credit to produce unemployment is too great a power to be left lightly in the hands of the bankers, who must look after the interests of their shareholders before that of the general public. It is a power which directly affects the life of the people, sometimes most adversely, and as such, its control is not only a legitimate function of government, but it is something which a modern state, with the interests of the people at heart, cannot afford to ignore. The safe and right use of the power of credit will solve much of the unemployment problem, by aiding in the prevention of extreme business depressions.

The other method by which the low end of the business cycle can be greatly modified is a method more definite in its nature and one which is merely a matter of proper organization. It is based upon the policy that all public works should be proceeded with only at times just preceding an expected general business depression. If all public works, Dominion, Provincial, Municipal, and the works to

be carried out by large corporations, were planned and financed in times of prosperity, and then their execution held up until the indications showed that the period of prosperity was about to end, then their commencement at such a time could do a great deal to soften the approach of hard times and to prevent too great a depression. The money which would be so expended in wages in the country would maintain the home market, and do a lot towards counter-balancing the loss of world trade, or whatever other external condition might be responsible for the anticipated slump.

Of course, it would require some adjustments of present Government financial methods, and of general procedure, and it might be necessary for political parties to place the national welfare before their own interests, before the public work could be so organized. But in view of the probable effect it would have in mitigating business depressions, and so alleviating unemployment, wouldn't it be worth while for the citizens of Canada to insist upon the adoption of some such methods?

A system of Labour Exchanges under governmental auspices can do a great deal to help the problem of the unemployed, and in this connection something worth while is being done. There is an official organization in Canada which operates under the name of the Employment Service of Canada, organized by arrangement between the Dominion and Provincial Governments. Some 70 offices are in operation from the Atlantic to the Pacific, and they are performing valuable services in finding positions for the workers, in facilitating the movement of workers to places where they are needed,

and in generally looking after the interests of the unemployed in so far as they are able to do so.

Some idea of the work done by these offices is contained in their records. In one year, they have handled over 589,000 applications for employment, and they were able to effect over 462,000 placements, most of them in regular employment. The desirability of such work continually being supported is obvious.

Much more could be done than has been done, and here a field for much study and investigation is open, in the co-operation of the Labour Department and the Department of Immigration. The immigration policy of the country should always be regulated by the labour condition of the country. The advisability of some harmonious working arrangement is at once apparent, but past immigration records have not been such that we can see where any great regard has been paid to the labour conditions of the country. Whatever immigration policies Canada may adopt, and there is no doubt but that vigorous policies are essential, they must be so moulded and applied as to make certain that they do not operate to increase the already grave problem of unemployment with which we are at times faced.

When this question of unemployment is discussed, one often hears the statement made that there would be no unemployment if we had sufficiently high tariff protection. It is an argument the fallacy of which we have already indicated in another chapter, but here, where we meet it again, a quotation from Mr. Phillip Snowden's book, "Labour and the New World," may perhaps be illuminating.



"It is a very curious thing," he writes, "that the more a country is developed industrially, the more it is troubled with the problem of unemployment. In pre-war days in the United States, the average unemployment in the manufacturing trades was higher than in any other country, and we cannot escape from the conclusion that the intensified methods of production in the United States were in the main responsible for this phenomenon. The tariff system of that country was no doubt a contributory cause but that system itself was deliberately designed for the purpose of intensifying production."

There has been so far indicated some of the steps which might be taken in the way of prevention of the existence of unemployment in Canada. At least, it should be plain that we do not have to accept it necessarily as a natural condition, and that there is a great and extensive field for investigation and work looking towards the solution of the problem. As a matter of fact much of the investigational work has been done by those interested in the problem, but they have not had the backing of the citizens behind them. For a solution to be attained the most important factor is for the public to become sufficiently interested to demand a solution. Then it would be quickly forthcoming.

In the meantime, there occur crises in the problem from time to time, especially in the bigger cities in the winter, when it becomes a question of cure rather than prevention, and hardly even that, since some slight relief is about all that usually can be given. Then it is a case of soup kitchens, and of charity, and if not that, of the provision of relief works, by virtue of which all who wish may work. Even these works should proceed according to a



definite schedule, and it should not be left until the necessity is before us before it is decided what can be done. Relief works should be planned according to certain definite requirements and not entered into in an haphazard fashion. They should be non-competitive to existing industries, remunerative to the state, located so as not to necessitate the transportation of labour over long distances, cater to various classes of employees, be elastic in size, and capable of being commenced and ended quickly. It is not easy to find work which meets with all these requirements, if it has to be found when the emergency is upon us. It must also be planned ahead in keeping with a studied policy for the prevention and relief of unemployment.

Then, when all that can be done has been done to prevent unemployment, and to relieve it, there is still one further matter which should be looked after, and that is the provision of some suitable measure of unemployment insurance. We in Canada are far behind some of the European countries in some of our social legislation, and this is one regard in which that is true. Much cannot be written here concerning the merits of the various plans which are in force in different countries, nor can the advisability of the adoption of any such plan be discussed. This only may be pointed out, that it is probable that the adoption of unemployment insurance would be an investment, nationally, rather than an expense. Every cent expended in any such insurance scheme is a cent which goes to bolster up the purchasing power of the people,

which helps to create markets for the goods produced in the country, and which, above everything else, maintains the character and soul of the workman above that of the beggar, and so keeps him as an economic and spiritual asset to himself and to the country. Governments can not spend money to greater advantage than that!

Everything that can be done to prevent unemployment, or to relieve it, tends to nurture and maintain a better standard of living among the workers of the country. That in itself creates a better market, and so reacts to prevent the business depression which was the cause of much of the unemployment. Instead of the vicious circle, a beneficent circle is created, and one which would redound greatly to the happiness and prosperity of the country. May we Canadians, in all sincerity, realize the wisdom and necessity of banishing unemployment forever from the confines of our land! There is little better work to which we could put our hand.

## CHAPTER TWELVE

### OUR ONLY NEIGHBOUR—THE STATES

*Oh, the land of democracy, of puritanism, and liberty! The United States were great, powerful, prosperous, astonishingly progressive, supreme masters of energy and creative life, healthy and comfortable, but they were developing in an atmosphere essentially practical and proud, and principles were almost always sacrificed in the end to interest or social superstition.*

—Manuel Ugarte.

IT has been the fashion, during the last few years whenever opportunity has offered, for our speakers and writers to stress the friendly feeling which exists to-day between the United States and ourselves. Peace has existed between us for more than a century. We hear a good deal of the long boundary line which has gone unfortified all that time, and it is held out to us as the symbol of that eternal peace which is to be between the nations. We have, too, taken unto ourselves the privilege and responsibility of considering ourselves the interpreter between our southern neighbour and our Motherland, on the assumption that we understand each of them better than they can understand each other.

That is all just as it should be, and quite praiseworthy. But there is an allied point of view which is apt to be overlooked, and one which it is necessary for us to keep in mind; it is that which is involved in the simple fact that, while we do well to live on peaceful terms with our neighbour, that does not in any way commit us to act as he acts, or to mould ourselves to the standards which seem satisfactory to him. Neighbourliness over the garden wall does not necessitate the surrender of individuality, or

even the right to discuss, within the family circle, the oddities and peculiarities of one's neighbour's mode of life.

So that, while we have a general feeling of goodwill and neighbourliness to the people of the States, we must confess also to an intense dislike of much of the manner of living which has developed within their country, and to an intense hope that we in Canada will not take them for an example as to the way we should rule our lives. There is need for frank discussion of how their country and their life is influencing us in our development, and of whether that influence is one which favours our own full national development. But the discussion must be between ourselves—a purely family discussion. We should not wish to criticize the people of the States simply for the sake of doing so; but we may well point out some of the characteristics inherent in their life, which we should try to avoid in ours. Such a purpose justifies any sound criticism, however harsh and extreme it may appear.

Nature has placed Canada alongside the United States, and we have emphasized the contiguity by settling all across the continent as close to the border line as we conveniently could. The long strip of land from the Atlantic to the Pacific which is occupied by our people is one which has points of contact with our southern neighbour all along its length. This creates the situation that the larger cities on this strip of land which is Canada are each of them nearer some important centre of the States than they are to each other. Other things being equal, then, it would be much more natural for Halifax, for example, to trade with Boston than

with Montreal or Toronto at their greater distances. The added fact that the different sections of Canada are so widely separated from each other by natural barriers emphasizes still more that the natural channels for trade and association are north and south and not east and west.

But since we are of a different national temperament to the people to the south, and since we have determined to build up for ourselves a country of our own, with its own traits and characteristics, we have had to adopt policies in the past, designed to force our channels of trade and association east and west, between ourselves, rather than to allow them to go in the natural direction of north and south. This geographical tendency still exists and still operates, and it is one to which we must have constant regard in the formulation of our policies now and in the future.

The strength of the influence of these natural trade channels, combined with the other influences which are inherent in the closeness of the two countries to each other, is indicated in the following concise tables of the exports and imports of Canada, in relation to the business done with the United Kingdom, and with the United States.

#### EXPORTS SINCE CONFEDERATION

	Per cent of total sent to United Kingdom Per cent.	Per cent of total sent to United States Per cent.
Average, 1868-1870...	38	51
" 1871-1880...	46	43
" 1881-1890...	46	45
" 1891-1900...	57	34
" 1901-1910...	54	35
" 1911-1920...	51	35
" 1921-1926...	37	39

## IMPORTS SINCE CONFEDERATION

	Per cent. of total from the United Kingdom Per cent.	Per cent. of total from the United States Per cent.
Average, 1868-1870...	56	33
" 1871-1880...	49	43
" 1881-1890...	41	45
" 1891-1900...	31	52
" 1901-1910...	25	59
" 1911-1920...	16	71 (war period)
" 1921-1926...	18	66

Here is some very interesting, and somewhat startling information. Looking at the latter table of imports, it is seen that the percentage of our total import trade with the Motherland has fallen, since Confederation, from about 56 per cent. of the total, until now we obtain only about 18 per cent. of our total imported requirements therefrom. On the other hand our imports have risen from the United States from 33 per cent. of our total at the time of Confederation to about 66 per cent. at present. This simply means that, in the last 60 years, we have gradually taken away our business from the United Kingdom and given it to the United States. The figures show it, whether we like it or not. And we have not even had the excuse that the United States buys the most from us in return, because the first table shows that for most of the period the United Kingdom took the greater proportion of our exports, and it is to be expected that she will do so in the future since much of our wheat goes to feed her population. Apart from the sentimental and political reasons why we should purchase most of our requirements from within the Empire, we do not even concern ourselves with the business fact that it would be



better business to buy the greater part of what we need from our own best customer. If we did so, it would react simply to make them still better customers for our products.

On this base, there can be only one sound policy for Canada. So long as the United States refuses our exports, as she tries to do with the Fordney-McCumber tariff, we should do all in our power to place our import business elsewhere. How this should be done, whether by greatly increased tariffs against the States alone, or by a greatly increased preference to the British Empire, or by the aid of any other plan, is not a matter which need here be discussed. But our fiscal policy, whatever it is, should be judged by its efficiency in decreasing the amount and value of the goods which we bring in from the States, especially so long as that country attempts to shut out our products. On the face of it, it is ridiculous, and it does not show in us a sufficient measure of pride, to insist upon dealing with a country which has shown that it does not want to deal with us except on its own rather selfish terms. Our trade should go elsewhere so long as such a condition lasts.

We are subject to the influence of United States life in many ways, direct and indirect, obvious and insidious. Speaking the same language, or substantially so, and descended in our dominant strains from the same races, we have much the same outlook on life, and the same disposition in the treatment of the problems of life. Superficially this would appear to be an advantage by helping in the promotion of a friendly intercourse and a mutual

understanding. But actually, from the point of view of the development of a Canadian national individuality, it operates as a powerful detriment. The very similarity in language and outlook acts as a magnet to draw our lesser number of people to their greater number. The effect of this influence can be seen more readily if a condition is imagined where we would have as neighbours, not an Anglo-Saxon nation as is the States, but, to name one which will serve as an example as well as another, a Spanish-American nation. If we had such a nation as a neighbour, whose people spoke a different language and followed different customs, we here in Canada would be free to develop our own characteristics in keeping with the nature of our race and with the environment in which we find ourselves. Then would we have no fear of the result, since, left to ourselves, we would win through quickly to a distinctive national consciousness.

Instead, though, we face the actuality of a powerful nation of our own race existing to the south of us as our only close neighbour, an ever-pressing influence upon our people to do as they do, and to think as they think. That process followed to the extreme would prohibit the development of a Canadian nation, as anything distinctive or admirable among the nations of the world. We would only develop as a weak reflection of that other more powerful nation, and, as such, we could not expect to command the maximum respect of others, or of ourselves.

The Department of Commerce at Washington has said that, culturally, Canada is a "northern

extension of the United States.” That may be a superficial judgment but there are such forces constantly at work among us that we must not be too confident that the statement is not becoming daily more and more accurate.

Because of the closeness of our market to that of the States, we are subject to very many weakening influences. We are, for example, deluged with newspapers, magazines, trade periodicals, and books from that country. They come in amazing quantities, and are devoured seemingly as fast as they come. It is estimated that Canadians pay more than \$3,000,000 yearly solely for magazines and newspapers coming from the States. The total circulation in Canada of American magazines amounts to millions of copies a year, sufficient to place two copies a month in every home in Canada; and in addition there are millions of copies of newspapers which come in from the States every year to add their bit to the Americanizing influences about us. The circulation figures of some of the American magazines show that in Canada they have almost as much circulation as has the one Canadian magazine which has attained anything like a national circulation.

Apart from the moral and social influences of this influx of American reading matter—it cannot be called literature—there is a very serious adverse trade effect, because of the advertising which is carried. Our people reading these magazines read also the advertisements, which are, indeed, often more interesting than the obvious reading matter. In so doing, they are unconsciously influenced in

their purchases. By allowing such a process, we are permitting other policies which we have adopted for the national good to be seriously weakened.

As an example of this, it is only necessary to point to our tariff policy. Ever since Sir John A Macdonald persuaded the country to adopt his National Policy, we have always had at Ottawa governments which upheld the system of tariff protection to industries. Whether it was done for the sake of the protection afforded, or for the sake of the resulting revenue, is a matter only of a different point of view. At any rate the industries have always found themselves under the shade of a cloak of protection against the hot sun of foreign competition. We have done everything possible, and politic, to preserve our own market for our own industries.

But, in giving such protection with one hand, are we not with the other preventing them from obtaining the benefits of that protection to the full, by permitting the unrestricted deluge of foreign periodicals which train our people to purchase, not the goods made domestically for which the protective tariff exists, but the goods manufactured by our neighbours? Their advertising makes us demand those goods whether the cost is excessive or not. We console ourselves with the thought that we are at least buying what we have made up our minds is the best article. Made up our minds, indeed! We buy just what the advertisements tell us to buy, whether we admit it or not. If you do not believe it, take a census of the articles in your own house, and see how many are the ones which are advertised in the American magazines.

Do you doubt that the advertising from the States has so much influence? Think of it this way, then—what do we know of the goods made in Great Britain? Do we know their gramophones, their radios, or the thousand and one things which they make of a similar nature to those articles made in the States with which we are familiar? Where did we become familiar with all these articles as made in the States, if not in the advertising columns of their magazines? If we read the English magazines, which are really much more interesting, would we not be more familiar with the articles made and sold in England? Wouldn't that, in turn, make it a good deal more probable that we would buy goods made in England rather than what we buy now? And it would be still more effective, so far as the prosperity of Canada were concerned, if Canadian periodicals were read and the goods advertised therein were purchased.

Allied to the influence of these magazines is that of the Americanized Press dispatches, and syndicated features, which fill so much of the space of our newspapers. Many such dispatches are printed in Canada which bear within themselves evidences of having been coloured for American consumption. The comic strips, which are so eagerly read by old and young throughout the country, reflect American ideas of humour, and of life, couched in American slang. The illustrated papers, and news stories, deal with sex problems and domestic triangles which reflect only too truly much of the social and domestic life of our neighbours. Altogether we see too much of life through American eyes, even when

we read our own press. Even giving the Canadian Associated Press all the great credit which is its due, it is still obvious that there is much to combat in the field in which they fight.

In every theatre in the land, we meet with additions to the Americanizing influences which surround us. Practically no films are shown but those made in the States, and they reflect the American taste in everything. Our youth watch the typical American hero, and applaud his exploits, and learn to look on the Englishman with false American eyes. All the jingoistic tricks used by the Americans to pander to their own great idea of themselves are thrown constantly at the heads of our Canadian youth. Canadians see their own country depicted as a land of ice and snow, inhabited by trappers, whiskey runners, Indians, and North-West Mounted Policemen of a type which never existed. Our film theatres, and our vaudeville and legitimate theatres, are controlled, not by Canadians, but by a group of Israelitish-Americans domiciled in New York. So complete is their control, indeed, that it is doubtful whether an independent British film could be booked at 5 per cent. of the theatres in the land.

And now has come the radio, to add to the influences which Americanize us! The weird, sentimental productions of that extraordinary people, invade our very homes every time we turn the switch on the radio set. We tune in to American jazz music, meaningless American songs, and are even sometimes forced to listen to some American demagogue expounding the desirability of what he speaks of as "God's own country."



Then, too, when our people want to take a holiday, too seldom do they travel east and west to see and know more of their own wonderful land. Down south they motor, to see something of life, thinking that by a few days' participation in the mad rush of an American city, with its crowds and noise and excitement, they are enjoying something more than they could at home, and are finding happiness. Strange delusion!

With all these influences at work, we are bound to become, on the surface at least, much like our neighbours. In the process we are in danger of losing much of what is best of the British character, and of the characteristics of those Canadians of the generations before us. We are learning to like the American craze for the spectacular, the bizarre, and are adopting, too, their peculiar craze for organizing themselves in bodies of one kind or another to do something or other which is not always apparent. We have their passion for professional baseball, for the idolization of actors and actresses, for the automobile, and for the thousand and one other little things which make up their life.

But, after all, these effects are, as yet, chiefly external and superficial. The effect on us of this constant flow of American ideas does not constitute any great future, or immediate, peril to us as a nation, or to most of us as individuals. We may have faith in the fact that a too vigorous nationalism has been created in Canada for such things, in themselves, to have too serious effects. The average Canadian patriotism is too deep, and Canadian nationality is already too strong, for this Americanizing influence to have any disastrous effects.

Nevertheless, it is far from being advisable that the process should be ignored. Although the forces arrayed against our nationalism may not be sufficiently strong to destroy it, yet they are sufficiently strong to hinder, and delay, the greater and quicker growth of that nationalism, and of that sense of unity which we desire, and which is an essential factor in binding together the far spread parts of the country. Whatever practicable steps can be taken should be taken to combat these influences which are constantly exerting their measure of power upon us.

The most potent weapon which we, as Canadians, have against these influences is in the realization, and the bringing of that realization home to our people, of all those characteristics in the life of the people of the States which are abhorrent to us. They have developed a mode of existence which should hold no attraction for us, and one which we should not wish to emulate. We have a far better star in the life of the Motherland across the sea, and we would do better to hitch our national wagon to it. Also would we do well to keep before us our own reading and interpretation of the life which goes on in the country to the south of us so that, seeing it, we may be able to avoid some of the pitfalls into which they have stumbled.

In the development of the British people, they have been able to produce a characteristic which has made them outstanding among nations, and that is their love of justice and "fair play." It is something upon which we Canadians, as Britons, pride ourselves, and we look upon it as a tangible

and valuable heritage from the Motherland. We can visualize no sound national life without it, and here is one reason why we cannot develop too great an admiration for the people of the States. Too often have they shown a lack of this spirit of "fair-play" for us to regard them too highly. Was there fair play in the manner in which they jockeyed the settlement of the Alaska Boundary dispute in 1903, when Roosevelt's own letters have since shown that the decision, supposedly left to a group of impartial jurists, was decided upon before the investigation started, and the American members instructed that they were to hold to the decision even at the cost of trouble with Great Britain? The general claim in the States as to who won the last Great War is not consistent with the spirit of fair play; nor is the calm adoption of celebrities as Americans regardless of their real relations; nor did the pandering of the U. S. Senate to the Irish vote in their constant interference with Irish affairs show any evidence that they knew how to play the game. The history of the Panama Canal toll question is one of such palpable unfairness that even one of their Presidents damned it in plain language. All in all, in that country they play to win, and the natural and actual result is that any means are considered fair so long as the victory is achieved. That is a conception contrary to the British idea, and is one the adoption of which in Canada we should fight to the uttermost.

In a country which has prided itself, ever since its declaration of independence, as one standing for liberty and equality, there is so much legislative

and social restriction that the liberty of the individual is becoming a fast-dimishing quantity. They have departed much from the British idea of liberty, and since we, in Canada, are prone to follow them in this regard, it were well for us too, to recall the thought of the Briton on the matter. In no place is it expressed more clearly than in this passage from the essay on "Liberty," by John Stuart Mill:

The sole end for which mankind are warranted, individually or collectively, in interfering with the action of any of their number, is self protection. The only purpose for which power can be exercised over any member of a civilized community, against his will, is to prevent harm to others. His own good, either to do or forbear because it will be better for him to do so, because it will make him happier, because, in the opinion of others, to do so would be wise, or even right. These are good reasons for remonstrating with him, or reasoning with him, or persuading him, or entreating him, but not for compelling him, or visiting him with any evil in case he do otherwise. To justify that, the conduct from which it is desired to deter him must be calculated to produce evil to someone else. The only part of the conduct of anyone, for which he is answerable to society, is that which concerns others. In the part which merely concerns himself, his independence is, of right, absolute. Over himself, over his own body and mind, the individual is sovereign.

In principle, restrictive legislation is unsound, because the real function of law and legislation should be to leave to each individual as much liberty as he can enjoy consistent with the liberty of his fellows, and then to protect him in it. Liberty and freedom for the individual should be the supreme object of government. "What fetters can be left off?" should be the dominant question; not that

one which the reformer seems fond of asking, "What next can we restrict?" Each man should be left, as far as possible, to work out his own happiness or misery, to stand or fall by the consequences of his own conduct. Something, as someone has said, should be left for God to do!

But what do we see in the States? Legislative enactments are being made in several States against the doctrine of evolution; the sale of cigarettes is against the law in some States; a nation-wide prohibition law is on the Statute books, and there is no adequate effort, in the cities at least, to enforce it; legislation is passed as to what shall, and shall not, appear in histories at schools; everyone and everybody who has a hobby cries loud and long to place some further restriction upon the burdened shoulders of his fellow-citizens.

The Government at Washington, and at the State capitals, to an amazing extent, is in the hands of class legislators. Groups want this, and other groups want that, not because it is good for the country, but because it is of use to themselves. The late Senator Leighton, of California, in speaking at Cleveland some time ago, said that there were at Washington some 250 separate and distinct organizations existing for propaganda and for influencing legislation, each one trying to get something for itself and the interest it represented. Governmental activity and legislation is made up from the activities and demands of these minority groups. The United States is a nation governed by minorities, by groups which make demands on their fellows, and by organization and activity, succeed

in dominating them. When free of these demands, the Government is controlled by whatever partisan political machine which happens to be in power. The late President Woodrow Wilson had this opinion of the manner in which government was controlled, and he wrote of it as follows:

All our activities are in the hands of a few men who . . . chill and check and destroy genuine economic freedom. We have come to be one of the worst-ruled, one of the most completely controlled and dominated governments in the civilized world--no longer a government by free opinion, no longer a government by conviction, or the vote of the majority, but a government by the opinion and duress of small groups of dominant men.

As a people, too, the Americans have developed characteristics which, I hope, are not to be permanently a part of the Canadian make-up. The whole idea behind their life seems to be the wrong one. Their idea of independence, of democracy, is summed up in the phrase, "I'm as good as you are." Our British idea is not that, but the more modest and kindly, "You're as good as I am, and I'll give you every chance." The one produces "nerve," and a self-assurance which amounts to conceit; the other, a certain humility, which is not, however, subversive of a rugged self-reliance.

The Americans are producing in themselves that which they stress so much as a necessary attribute in their industrial products, a standardization of type. Their schools are fundamentally the same across the country, their interests and ideas are the same, they think the same things and they do the same things. As a result their youth are growing



up astonishingly alike in their tastes and their desires. Their system not only does not encourage variety and individuality, but it damns it. He who is different is simply odd, and the butt of ridicule. Only the most rugged can stand against the demand for social standardization, and, as a result, has come the type.

And that type is not an admirable one to any degree. Little recking of the higher things, caring nothing for intellect or the arts, it knows little more than the latest in sport, or in dancing, or in the theatre. It lives its life quickly, gayly, and without allowing anything to interrupt its hectic, maddening pursuit of the unobtainable.

The result is not encouraging, and we should have no desire to see the type reproduced in Canada. Here is some information bearing upon it, which is quoted on the authority of Dr. William Starr Myers, Professor of History and Politics in Princeton University (1923). It is of such a startling nature that it is better to come from one of the scholars of their own land. After stating that the figures are not "mathematically correct," but "indicate the aggregate judgment," he states that:

Taking the population of the United States at 105,000,000 they claim that 45,000,000 are sub-normal in intelligence, that is to say not more than fourteen years of age judged from that standpoint; that 15,000,000 are feeble-minded, and would not go beyond eight years of age. . . . That means 60,000,000 who are sub-normal or feeble-minded. Professor Giddings of Columbia, a most sane thinker, has made the remark that sixty per cent. of the people of the United States were morons.

These startling figures are given, not with any

thought of holding the people of that nation up to ridicule or scorn, but to combat the idea which is too general among us, and among other nations too, that the United States is a country where the general average of intelligence is tremendously higher than it is elsewhere. It is not so. We in Canada need have no fear of comparison of the average intelligence of our people with those of the States, or, indeed, of any other land. We produce men who can, and do, stand their ground with any under the sun.

The normal life of the people in the States is, for us, abnormal, and it is to be hoped that it will long remain so. One of the characteristics of that life of theirs, and it is one of which we hear too much indication in our own cities, is the infernal noise they produce. Oh! the noise, and blustering, of New York! The unholy racket of the elevated, the shrieking of brakes and the tooting of horns, the tearing rush of the fire engines, the piercing whistles of the locomotives, all intermixing until there is a medley of raucous sound which fits only too well into the general atmosphere of ceaseless, worried rush. The noise of New York—and the quiet of London! Not accidents are they, but radiations from the characters of the two peoples. In America, noise is symptomatic, as it is of children, of savages, and, at times, of the insane.

In the States, also, they seemed to have failed in the application of another essential British quality, that of holding the law in due respect, and of making sure that there is the will and power to administer justice to every last citizen of the land. They are

a strange people, who will applaud with fervour anyone lauding the rule of justice and equality in their land, and will, at the same time, close their eyes to the almost universal injustice and corruption of their court and police systems. Is there justice in Chicago when in one year there were 336 murders, and where only 44 convictions were registered, where murder trials have become little more than sentimental news, where criminals are protected by a code of technicalities and precedents which effectually prevents their speedy and just punishment?

The corporations controlling "big business" enjoy what is tantamount to almost total immunity to legal restriction in their ability to carry their cases from court to court, year after year, until their smaller oponents are worn out with the delays and the expense.

In many places individual protection and safety cannot be guaranteed, and there is almost a total breakdown of law and order. In Illinois, only the other day, rival gangs of bootleggers, using machine guns and armoured cars, battled with each other to the death, their leaders even giving out "communiques" to the press as to the course of the battle and as to their plans for future fights. In most of the larger cities of the land, money and pay-rolls must be moved in armoured cars to protect it from the daylight raids of bandits against whom the police seem powerless. It is dangerous, in places, to use a public taxi at night, and in many places, too, one cannot be sure of protection even from the uniformed police themselves, the appointees and disciples, as they are, of partisan

machines. These are all manifestations of the failure of the citizens of that land to hold in respect the laws they themselves make. In their failure to insist upon a rigid observance of the law, they have created conditions of disorder which are unparalleled in the civilized world.

The enjoyment of the simple things of life is a lost art to most of the people of the States, and, having lost that, they have lost much of the secret of real happiness. The pace of their lives is terrific, and they continuously live to the uttermost of their energy and of their resources, material or spiritual. The radio and the automobile have become necessities to their mode of life, and these playthings are ubiquitous, quite regardless of the cost of their acquirement and upkeep. These, with the moving picture, occupy all the time of the average American which is not occupied with work or in sleeping. The very practicability of other and better forms of entertainment is forgotten. Conversation is not only an art of the past, but the apt and delightful practice of it now is simply considered as "high-brow" or "swanky," and brings into play the whole scope of those forces which make for social standardization.

The virtues of thrift, as a necessary adjunct to a great people, are quite forgotten in the orgy of extravagance which has afflicted all ranks of the people. Wash-women and janitors go to work in closed sedans; money easily made is readily spent; and most of the luxuries are purchased through long-term payments, the meeting of which curtails the rightful payments to the butcher, the baker,

and the candle-stick maker, for the necessities of life.

Nothing is more symptomatic of their life than the behaviour of their children. Already they are *blasé* before they have well entered their 'teens. They have their own cars, they have been deluged with expensive toys since infancy, and have had created in them all the false standards which they have seen actuate their family and their community. In America, children now are small adults; in England, children are still children. There they play with simple toys, go in wholeheartedly for sports without demanding the utmost in equipment, and remain respectful and courteous to their seniors. The children of a country are the mirrors of the country's life. The example for us, surely, is across the seas, and not southward.

There is much excitement, and noise, and stimulation to the senses, and to the feelings, in the American life, as it proceeds in its mad search for happiness and contentment. But it has still to learn that happiness may not be pursued. It will learn, perhaps, in time that happiness is the incidental concomitant of such things as the quiet English countryside, of an affectionate and thoughtful family life, of the calm and peace of solitude. Friendships, books, art, religion, service—these are the channels to happiness, far more certain and more sure than any of the hectic roads travelled by our southern neighbours.

All in all, our answer to the people of the States should be that "Your ways are not our ways, nor your thoughts, our thoughts." It is akin to the

answer which was given by Mr. A. Hamilton Gibbs in an article in the "Forum," in answer to another article which suggested the possible future absorption of Canada by the States. This is an extract from it:

Mr. Seitz advances no other argument towards the hypothetical question of Canada's joining America than that of money-grubbing. It is manifest that his philosophy is bounded on the one hand by "big business," and on the other by mass production. His imagination cannot encompass the possibility of Canadians caring for tradition, for culture, for spiritual self-expression; that their approach to life may be from another angle than that of the be-all and the end-all of the almighty dollar; that by their separate signing of the League of Nations, and their independent vote in the assembly thereof, they may have acquired a national entity and an international sense not wholly confined to the prospect of immediate financial returns; that although it may be true in vulgar parlance that "Mother has raised her family," it is also true, for a reason which Mr. Seitz could never fathom, that Canada left sixty thousand dead in France and brought back two hundred thousand wounded.

When Columbus, in his voyage westward to discover land, faced the mutinous outbreaks of his crew who insisted upon an immediate return before there had been any result obtained for the endeavours made, he quelled them and wrote in his journal, "This day we sailed west, because it was our course." We Canadians have something of that spirit, and of that determination, and we are proceeding towards our goal of national unity because that is our goal for which we have determined to set out.

Influences such as are exerted on us by the States



may hinder us and retard us on our way, but they will not make us turn back. Only our own confession of failure will ever accomplish that, and that is impossible. But since these influences do hinder us and retard us, they must be fought, and in a manner which will bring the victory to us. What weapons have we wherewith to fight?

The most effectual weapon we could place in general use is that one which has been attempted here. To Canadians, it should be constantly pointed out that there are disadvantages, drawbacks, and grave mistakes in the American way of living. It is all very well to remain courteous and neighbourly in our dealings with them, but that is no reason why we should be blind to their failings, or that we should lead their life, however so strongly they may assert themselves.

And while we have a frank recognition of American failings, we would have an equally frank appreciation of the many good qualities of the people of the Motherland; and we should talk of both throughout this wide country of ours. The family traditions, and those old qualities which have stood the test of centuries, should be much more appealing to us than the new, and loud, and superficial ideas of the raw new land which is our southern neighbour.

As a part of our national policy, we should consider the best ways and means of discouraging the influx of American periodicals, and of encouraging the reading of English and Canadian ones. Some measure of relief should be granted to the English publisher from the too-high carriage cost of his periodicals to Canada, in order that he may be able

to compete with his American rival who now has the field. The dissemination of English advertising in Canada through their magazines would be the prelude to the greater use of English goods, and that again is a factor much to be desired.

Then, in the matter of trade and tariffs, there are considerations which should carry more weight with us than they have in the past. Since Great Britain is our best customer, and will, probably, long remain so, we should so formulate our policies as to give her the greatest amount of our business possible. At present, we give the major portion of it to the States. With this in mind, we should decide, apart from partisan politics, that no lowering of the tariff wall which may in future occur, will be effective against goods from the United States, but only in favour of Empire goods; and that, wherever practicable, the existing British Preference should be increased and broadened in scope. This is a policy to be chosen not only for its efficacy from a trade standpoint, but as one which would aid greatly in the furtherance of our ideal of nationality, and in the discounting of American influence upon us.

Another, and greater, weapon which is at hand for our use in combating the influence of the States, is a positive one, and lies in the creation and strengthening of the demand for the development of a national consciousness, or to put it in shorter terms, in the promotion of patriotism. Patriotism is a quality which can be nurtured; the States have shown us that. Perhaps we look with a good deal of scorn at the jingoistic traits apparent there, and we respect more the reserved, yet strong,

patriotism of the British; yet, since we have not behind us that long record which Britain has, we have something of the necessity of a new country to adopt, to some degree, the tactics which have proven effective in the States in the development of their lively patriotism. Our schools can be made the means of such a growth more than they are, and every other means should be taken which is available for the purpose.

Accompanying such an encouragement of the patriotic spirit, there should be instilled into the people the thought of a national ideal, a Canadian Utopia, for which all might strive. It should be so strong a hope that it would be considered as distinctly "not the thing" for any of our youth to leave us to seek better opportunities in the States. They should be brought up to feel a sufficient degree of responsibility to their country to remain here and to add their effort to the accomplishment of the national ideal. They should be taught that this is a far greater thing to do than to seek material prosperity through the easier channels of the States. The open, direct teaching of such a spirit would do much in the future to keep our manhood within the country to aid in the building of the nation that is to be.

As for ourselves, let our feelings, and thoughts, and actions be such as to harmonize with these memorable words of one of the greatest of us, Sir John A. Macdonald:

'As for myself,' he said, "my course is clear. A British subject I was born, a British subject I will die. With my utmost effort, with my latest breath

will I oppose the 'veiled treason' which attempts by sordid means and mercenary proffers to lead our people from their allegiance."

## CHAPTER THIRTEEN

### DAUGHTER AM I IN MY MOTHER'S HOUSE

*Here and here did England help me;  
How can I help England?*

—Robert Browning.

TO me, the Empire is Disraeli. Not chiefly because he was one of the great Imperialists, nor chiefly because it was his to move his compatriots deeply to a knowledge of the glory and responsibility of Empire, but for a reason of far less weight than these, and one far more personal. It is because in an impressive moment in my youth, I sat one evening absorbed in a perfect portrayal of Disraeli by George Arliss in Parker's play to which that statesman's name gives title. There he was, an alien Jew, the Prime Minister of England, the chief adviser to Her Majesty the Queen. He epitomized in himself the very soul of that Empire in its love of toleration, of justice, and of truth.

And when he appealed to young Charles, in his voice of charm and distinction, to—

Leave your small ideals; or, better still, grow from small ideals to greater. You have begun well; you are setting your house in order—now, pass on. Pass from the parish to the Empire!

I could feel him speaking, too, to me, to all the youth of Canada, so that, since that night, the thought of Empire, the call to Empire Service, comes to me first from Disraeli.

This Empire of ours is different from any which has preceded it in the world's history. Rome's

Empire was imperialistic, in the true sense of arrogant, military domination, a loosely connected group of conquered satellites paying tribute to, and incidentally deriving much advantage from, the parent State. It was based upon the desire of that parent State for conquest. Something different from that is Britain's Empire.

So soon as we begin to examine the make-up of this modern Empire, we discover a suggestive complexity in its very nomenclature. Although known to the world as the British Empire, yet it has as one of its component parts another Empire, the Indian Empire. The latter is the more properly named so far as the Imperial ideas of past ages are concerned, and the fact that it exists within the scope of the British Empire suggests that the true definition of the latter must be something greater than when the word Empire designated something of the Roman type. We find, on looking further, that this is so.

Never has there been such an Empire as ours, when the range of its interests, or even its size, is considered. At its centre we have a nation renowned as the mother of free government, of justice, and liberty, wherever they exist, and as a country where, to-day, these attributes flourish as they do in no place else round the wide world. Surrounding and supporting her, in addition to the several free self-governing nations, is the populous and varied Empire of India, are islands in every sea, and territories on every continent. Representatives of every race under the sun are among its subjects, and they are governed by such a variety of political



institutions that every mode of government known to man is represented. It is a world within itself, a cross-section of the larger world, than which it has no less of variety, of interest, and of amazing difficulties.

Now the most notable fact in all this, is not that the Empire is large, not that it includes such a variety of interests, for Rome was large and covered most of the then-known world, but that it has within itself a group of daughter nations, each as free to govern itself as is the parent State itself. Mr. W. F. Monypenny, to whose initiation of the official biography of Disraeli we owe so much, had this in mind when he wrote:

For everything else in the relations between parts of the Empire, we may find perhaps a parallel elsewhere; the existence of a number of national centres, and national governments within one political system is an entirely new phenomenon!

Earl Balfour also has written of this and he may be quoted too, because this fact of the great new political experiment which we in the Empire are attempting is one which should have a place in the consciousness of every Canadian.

"The unity of the British Empire," he wrote, "if it can be built up with the strength and solidity which all of us hope, is an entirely new experiment in the history of the world. There never has yet been one Empire, with one central heart, with one homogenous ideal, made out of those separate and self-governing institutions. That experiment has never yet been tried in the world, and has no chance, I believe, unless the British Empire is going to show the way."

These young nations of the Empire bear no allegiance to the parent State. Their allegiance is to that

King to whom the parent State itself swears its separate allegiance. He is the sovereign common to all, and, in the modern view, he has his Government and his ministers in all the self-governing nations to advise him upon their own affairs. It is in this that exists the great difference which makes Britain's Empire outstanding in the course of political and world history. The principle of the existence of separate nations within the Empire is new, and one for which there is no precedent anywhere. We have nothing, therefore, to guide us on the way to our future development. We must, in the language of the Canadian woods, "blaze our own trails."

We are living in the days of the Empire's coming of age. Since the war it has grown up and been brought face to face with the responsibilities of a sorely-tried world. We have to evolve some sort of a working arrangement by which we can together undertake the responsibilities of manhood in a world where there is so much of good to do.

Our task of binding ourselves together is rendered more difficult because, in the Empire, we have nations and colonies possessing varying degrees of freedom, and varying outlooks. We have our own country, Canada, for example, with an almost fully developed sense of nationality, making our own treaties, and sending our own representative to Washington; and, on the other hand, we have India, where the parent State still has to maintain an almost entire control over a fifth of the human race. We are not any longer an Empire of one people, with not even one dominant race since we

have taken unto ourselves, as equal partners, such differing racial elements as the Southern Irish, the French-Canadians, and the Dutch South Africans. To-day, before our eyes, we are watching and taking part in what *The Spectator* has called "the most dazzling political experiment ever attempted by man."

Seldom is the question asked in Canada whether this participation in the privileges and responsibilities of Empire is worth while. It never occurs to us to ask whether the British Empire has a worth-while mission in this world. We know that it has; we are British, and we feel that it has. And we can say with William Watson, in all sincerity believing, that:

This Empire, despite its faults and sins, loves justice, and loves mercy, and loves truth, when truly it beholds them, and thus helps to speed on, through dark and difficult ways, the ever-climbing footsteps of the world.

Our future is within the Empire. Every true Canadian feels that, and knows it. Whatever difficulties may arise, whatever friction, even, may develop, Canada will never lack in its heart that deep and abiding family affection and respect for her admirable and worthy parent. And such affection and respect creates a quiet loyalty so solid that nothing can shake it! Nothing will!

There will arise difficulties, conflicts of interest and right, which at times may seem to be fundamentally opposed to the elements of a proper union. But these will all be found to be but temporary; they will pass, after having been found capable of favourable and satisfactory adjustment. Patience, and

forbearance, and kindliness of spirit, will solve all the difficulties which may from time to time arise.

There will always be matters which will need the careful thought and attention of the citizens and the statesmen of the Empire. One of these, which is at present a most important one, and one which needs a constant attention, is concerned with the state of trade within and without the Empire, and the political policies resultant therefrom. We, in Canada, naturally see it through Canadian eyes and in the light of Canadian experience. From the point of view of Empire, the existing Canadian trade situation is not at all what it should be, and cannot be considered as satisfactory to our Imperial associates, or to ourselves..

In the appendix is given a table showing the aggregate Canadian trade for one year, and from it we can obtain the information as to where we trade. In regard to our total imports, it is shown there that we obtained in one year some 153 million dollars' worth of goods from Great Britain and 41 millions from the rest of the Empire, as against over 601 millions we obtained from the United States. On the other hand, we exported 360 million dollars' worth of our products to Great Britain, 76 millions to the rest of the Empire, and some 430 millions to the States. We discussed this matter in the previous chapter in regard to the state of our trade with the States, and it was pointed out there what is also pertinent here, that whereas the Empire buys from us over half of what we have to sell, yet we do not reciprocate but buy the overwhelming majority of our requirements from the States.

Merely on the basis of an advisable *quid pro quo* in business we stand condemned of the bad treatment of our best customer. We are making no real effort, we do not seem, indeed, to concern ourselves at all, to take what would seem the natural channel of making our purchases within the Empire whenever possible.

The state of Britain's trade should be always an important concern with us, since our future is inevitably bound up with her future, and with the destiny of the Empire. We should know her problems, watch her difficulties with a sympathetic eye, so that we might know where and when we can be of assistance to her and to the Empire. Unless we do know, and volunteer such assistance, it will never be extended, since it will never be asked.

Some little time ago, there was published by the British Government a report of the Balfour Committee on Industry and Trade, concerning a Survey of Overseas Markets. Its subject was, in short, the export trade of Britain, and it is one of the most searching and complete analysis of current trade conditions that has anywhere been made available. From it can be gleaned much information relating to Empire and world trade, and some of the facts therein are pertinent to the argument here to be made.

The first of these is one which is consoling to all friends of Britain. It is the fact that her share of the world's export trade was larger in 1923, after the war, than it was in 1913, before the war, having advanced from 13.02 per cent. to 14.03 per cent. The percentage of world trade being done by Britain

is greater now than ever, the unfortunate feature being that the total of that trade is less than it was in the pre-war period, after making due allowances for the increased valuations of all materials.

The figures show that the distribution of British trade has changed very little in the war decade, as can be seen below:

	1913 Per cent.	1924 Per cent.
Europe.....	34.0	31.0
U.S.A.....	5.5	6.6
South America.....	9.4	7.3
Dominions.....	17.5	17.7
India.....	13.3	11.3
Colonies and possessions.....	6.2	6.6

Taking the 1924 figures, it is salient information to note that of Britain's exports 31 per cent. go to Europe, somewhat over 6 per cent. to the States, and about 36 per cent. go to the Empire. Her customers, then, in the order of their importance to her, are the Empire, Europe, South America, the United States, and then the rest of the world in varying order. Britain has been able to hold her own, so far as her total exports show, in the markets of the Dominions and of the Empire.

But there is another side to the picture which does not bear out the accuracy of this view. The amount of the imports into the Dominion has grown in quantity since the war, and we must know whether Britain has had her share of this increased business, if we are to judge her position accurately. Do the figures of Dominion imports indicate any increased tendency for trade to flow in Imperial channels?

We can find the answer in the following table which shows the percentage of imports received by



the Dominions from the United Kingdom, and from the United States, before and after the war:

	United Kingdom		United States	
	1913	1923	1913	1923
	Per cent.	Per cent.	Per cent.	Per cent.
Canada.....	20.7	17.2	65.0	67.3
Australia.....	52.4	45.2	13.9	24.6
New Zealand.....	51.5	47.8	11.6	16.0
South Africa.....	54.4	52.1	9.5	12.9
India.....	64.2	60.2	2.6	5.6

The information in this table is not so encouraging. In the case of every Dominion it shows a decreasing amount of business with the United Kingdom and an increasing amount with the United States. This may be accounted for partly by the fact that a large part of the trade fell to the share of the States during the war, when British industry and shipping was otherwise occupied, and there may be a gradual return of this to Britain. But, unfortunately, there is no sure indication that it is so returning, and much evidence that the States is retaining the hold on the markets of the Dominions which it then obtained.

This increased business done by the States in the markets of the Dominions has been done in spite of the existence of preferential tariffs in the Dominions in favour of British goods. In regard to these preferences the Balfour Committee state that:

Broadly speaking, in 1914 the preferential tariffs of the Dominions were on the average lower than their general tariffs by about four per cent. *ad valorem*. At the present time, the preferential advantage has on the average been increased to nine per cent. *ad valorem*.

So that it can be safely said that if the Dominions have not done all that they might have done to encourage British trade, they have at least made a

substantial, voluntary increase in the amount of Imperial preference contained in their tariff. But in spite of this advantage Britain has not been able to obtain her share of the increased imports of the Dominions.

While Britain has, seemingly, lost ground in the markets of the Dominions, she has, on the other hand, gained ground in the markets of her neighbours in Europe, where her exports now represent an increasing proportion of continental imports. The continent of Europe is looking to Britain for more and more of its requirements, while the Dominions keep looking to the States.

This is the situation which is gradually bringing Britain to an economic parting of the ways. She must soon decide the future course of her economic policy and, in the main, that decision must be one of whether she will throw in her lot, chiefly, with Europe or with the Empire.

For there are many indications that the understandings which the politicians of Europe arrived at at Locarno, in the political field, will be followed by similar understandings in the economic field. There seems to be an inevitable growth of European sentiment towards the establishment of what Sir Alfred Mond has referred to as the United Economic States of Europe. The countries of Europe are beginning to realize the futility of their multiplication of national protective tariff barriers, and are coming to see the wisdom, and the probable advantages accruing to them, of an economic union, under which they would be able to trade freely amongst themselves, and present a common tariff barrier to

the outside world, duplicating thereby, in principle, the arrangements between the different States which compose the United States of America.

This tendency, when completed as it is bound to be within a comparatively short time, will, in effect, cause the creation in the world of three economic alliances, that of the United States of America, that of the United Economic States of Europe, and that of the British Empire. Such a development will force a choice on Britain of clinging to her continental market, where her business has been shown to be increasing, or of standing outside that combination, and, in so doing, having the high protective tariff of the combined European States effective against her. Then her only recourse would be to Empire trade.

If Britain were to choose the course which, superficially, might appear to be to her material advantage, and become part and parcel of the European combination, then, economically, and that means in time actually, comes the end of the Empire connection. Britain could not be a partner State in a European economic combination against the world without coming into economic antagonism with the interests of the rest of the Empire.

It is unthinkable that Britain will make that choice. She will stay with her ideals, with her destiny, and will not for one moment think of throwing from her burdened shoulders those heavy responsibilities of Empire which are hers. But, when the time comes for the choice to be made, as come it will, she will have to forego much of the material advantage which comes to her by reason

of the fact that nearly a third of her exports find markets in Europe. If she is to lose that business, where is she to find a market to compensate for it?

Just therein lies the necessity, so far as Britain is concerned, for an Imperial economic policy. Some policy must be adopted which will favour and increase inter-Empire trade, so that there may be not only enhanced prosperity in all parts of the Empire, but also that there may be provided for Britain a market to replace that European market which she seems destined to lose by reason of her sure loyalty to the path which has been hers for so many decades.

Recognition of the necessity of such a development is growing more and more in the United Kingdom, and it is being seen that their future strength is bound up more and more with the growth of trade and business relations with the self-governing Dominions. The Dominions, on the other hand, will need equally as much the support of the financial and commercial power of Britain. More and more the politicians and the voters of the old land are tending to look upon the formulation of an Imperial economic policy as a matter of expediency, and not, as was too often the case in the past, simply as a threat against economic beliefs which have been held almost in the sanctity of a religion. The whole matter is being discussed now in a manner which leaves some hope for an early and satisfactory solution.

Such an Imperial economic policy would have as its central aim the development of the Empire's resources in raw materials. These are so varied

and abundant, that, properly developed, they would form a sufficient base to ensure prosperity to every part of the Imperial family. The development should be made not only in the interests of the Empire, but of the world. It is only in keeping with the qualities of toleration, and fair play, for which the Empire stands, that an Imperial policy of development should be no narrow policy of shutting out the rest of the world from access to its raw material resources. An attempt to so shut off supplies from any industrial country in need of them must lead to trouble. That way has always led to friction, and war, and the Empire wants none of it!

But, with this limitation, still we must develop within the Empire an economic cohesion of such strength that we may be able to face, on an equal footing, either the present powerful group of the United States of America, or the future powerful group of the United Economic States of Europe.

What does such an Imperial economic policy mean for Canada? What is the part which should be ours in the building up of such a policy? We have, in the past, done something in the voluntary establishment of the preferential tariff under which we allow imports from the Empire to come in at a lower duty than imports from elsewhere. This is something, but in the larger view of the Empire's future it is not enough. In regard to it, however, we should at least decide that the only future course for the British preference is one that will see it increased as conditions allow it, and for no reason whatever, or at nobody's request whatever, should it ever be decreased. We must not countenance

such a retrograde step in our Imperial economic relations.

We have been held back in the past, in increasing to any substantial degree our rate of Imperial preference, because it has been impossible to reconcile within the preference system the free-trade principles of the United Kingdom and the protectionist principles of the Dominions. If we in Canada extended greatly the degree of preference, we would be knocking out from under ourselves the whole support of our tariff wall. Manufacturers outside the Empire could ship to an Empire port and re-ship to Canada under such an increased preference, and so escape our tariff restrictions. Any regulations in regard to the country of origin of goods would prove abortive as they have in the past.

But a large degree of Imperial preference, amounting in fact to a policy of free trade within the Empire, may not for long be tantamount to free trade with the universe because of Britain's free-trade principles. We have seen something of Britain's necessity of encouraging Imperial trade, and it may well be that if she saw a real prospect of free trade within the Commonwealth, she would modify her free-trade principles in so far as her relations to the rest of the world were concerned.

Such a policy of free trade within the Commonwealth would create such a measure of prosperity in Canada that it would not be many decades before we could rival in material things the progress made by the other great nation on this North American continent. It is the right policy for Canada's future, as for Britain's future.



Under our present system, we artificially, by tariffs, increase the cost of living to our people, and the cost of production in our essential primary industries. By so doing, we lower our own ability to compete in the markets of the world with our foodstuffs and other primary products. Our primary industries cannot then develop as they should and cannot absorb that added population which is so necessary to us.

We should be first concerned in lowering the cost of production of our primary products so as to assure, by the acquisition of more and better markets, the rapid expansion of our farming, our mining, our fishing, our trapping, and our lumbering. These being expanded, the population would increase by its millions and work would be available for it. Then the presence of so many more people would create the necessary market for our secondary manufacturing.

That is the right policy for Canada, not the one we have now of favouring and promoting our secondary manufactures before we have placed our primary industries in the place where they can attract and utilize the population which we must have and which would bring us prosperity.

Free trade within the Commonwealth is a policy which will accomplish these things for us. It might do some temporary injury to some of our manufacturing interests, but the injury would be only temporary. It would not be long before the expanding population and purchasing power of the people of the country would more than repair any injury which might be caused by the change in policy.

Such a policy has but few advocates in Canada at present, and it is not considered within the realm of practical politics by either of our political parties. But it will not be long before one of those parties will discover in this policy of Free Trade within the Commonwealth one that will provide prosperity for the country, a ready appeal to the sentiment of the people, and one which will at the same time produce generous political returns.

When Canada can reach that point it is not unlikely that it will find that Britain has also reached the point where it will consent to confine its free-trade principles to the Empire, and unite with the other members of the Empire in showing a common front to the rest of the world, by the adoption of a moderate protective tariff.

There are difficulties in the way, which are great, but which are not insurmountable. Sir Alfred Mond, in discussing a related question, realizes them, but adds:

No one ever carries through a great purpose if he begins with difficulties and considers objections to a policy, before considering its principle. If we accept the ideal of a self-contained British Empire, with its constituent parts using their power in a concentrated instead of a sectional manner, I am certain the difficulties will be overcome step by step.

The means of communication between the constituent parts of the Empire constitutes in itself another problem to which constant attention must be given. In this is included not only the actual transmission of messages by post or cable, but also all the various means by which the lives and thoughts of the people in one portion of the Empire

become known and understood by those elsewhere. Considerations of the supply of periodicals, the establishment of air routes, the use of Empire moving-picture films, the perambulation of English theatrical companies, the visitation of all parts of the Empire by people from other parts, and even the holding of Imperial conferences of our statesmen, are all manifestations of the problem of satisfactory communications.

The very essence of satisfactory communication is personal contact and, that being so, nothing should be left undone to encourage our peoples to travel about the Empire. There might well be instituted, even with the aid of State grants if necessary, organized tours of groups of intelligent young men from the Dominions to the Mother Country, and from her outward as well, as also between the Dominions themselves. The possible future advantages to the Empire of such tours of their potential leaders, at their most impressionable age, would be incalculable. Apart from this, the encouragement of Imperial travel is something which might well be undertaken by some official or semi-official agency. Particularly should our politicians, and journalists, and all who carry to any degree the responsibilities of leadership, know by their own observation something of the wide-spread Empire to which we belong.

In the matter of picture films, it is obvious what a great influence they have on the common life of all the Dominions, and of the Motherland. Every step which can be taken legitimately to break the hold which the American film interests have on the

theatres throughout the Empire must be taken without hesitation or fear of reprisals. It is difficult to estimate accurately the influence which the film show has, and will continue to have, upon the Imperial life, but that it is immense there can be no doubt. Neither, unfortunately, can there be much doubt that the present situation in this regard cannot be anything but detrimental to the growth of Imperial ties. This great and obvious implement for the promotion of Imperial solidarity must be taken from its present control, and made to serve for us that high purpose for which it is so suitable. Practicable steps everywhere in the Empire should be taken to this end.

In discussing, in the previous chapter, the American influences in Canada there was mentioned the very strong influence exercised by their periodicals on our people. We do not want these periodicals from the States, and the only means of breaking the habit which our people have of reading them is the provision of satisfactory Imperial substitutes. To this end there should be much cheaper rates for English printed matter from the Motherland to the other portions of the Empire. This, it must be remembered, is not only important from the point of view of the advantages accruing from the supply of British reading matter, but even more so because once the people of the Dominions acquire the habit of reading British periodicals, they will also read the advertisements of British goods contained therein. That will develop a demand for those goods, and we will have taken another step in the promotion of the much desired growth of Imperial trade.

Official communications, too, between the Motherland and the Dominions might to advantage be reviewed and improved. The change of the channel of communication from that through the Colonial Secretary to that through the same individual as the Secretary for the Dominions has not been one which has satisfied fully the desire for closer communication between the Governments. Britain has more efficient methods of communicating with foreign governments than it has with the nations of the Commonwealth. Some such reform as the extension of the powers of the High Commissioners in London, whereby they would be accredited to the British Foreign Office, and, as such, enabled to deal with the British Government, and with other governments represented in London, on an equal footing, is perhaps now overdue. Conversely, the Government of the parent State might well be represented at the capitals of the Dominions by an official who would fulfil the functions of an Ambassador, leaving to the Governor-General the practice of those high functions which are his in his capacity of representative of His Majesty the King. It is satisfactory to see that this principle has been adopted at the last Imperial Conference, and steps taken to place it in practice.

There will be always the necessity of frequent consultation between the nations of the Commonwealth and, to this end, an extension of the principle of the Imperial Conferences might well be considered. By making it an annual affair, meeting in rotation in the capitals of the different Dominions, there would be provided the machinery for frequent

consultation. Of course, this could not always be a Premier's conference, but a provision that, at stated intervals, perhaps every three years, the conference should be held in London, when the Premiers would be expected to attend it, would perhaps meet the situation. At least, it is clear that more frequent consultations at the different capitals could lead to nothing but good in the strengthening of the Imperial tie.

These conferences will prove necessary because of the ever-changing relationship between the Empire and the rest of the world, and between the component parts of the Empire. Nothing stands still in the world, and the status of Empire within and without itself is no exception to this natural law. Constant discussion of the current changes is the only means whereby all the nations of the Commonwealth can be led to take the same road to progress, and towards the future. In nothing is this more apparent than in the consideration of the twin questions of Imperial defence and Imperial foreign policy. The factors which control the policies at any time adopted in these regards are factors which change, and are such that it will be always necessary for the representatives of all our constituent nations to be familiar with them.

There is no better example of the need for constant consultation on such matters as defence and foreign policy than that which lies in the consideration of Canada's present attitude towards them. If we have any definite attitude at all, it is one which is not easily apparent and one which must be indeed clothed in much obscurity to the other members of



the Commonwealth. It is, in fact, difficult for us to define it to ourselves, even when we have any desire to do so.

In this matter of Dominion participation in the defence of the Empire, there are many indications of absolute misunderstanding, and particularly this seems to be so in the relations of Britain and Canada. It becomes one of our gravest responsibilities not only adequately to understand what we Canadians think about this matter of defence, but also to see that our stand, if we think it to be justified, is understood and appreciated by the people of the Motherland.

British statesmen and officials, faced as they are with the almost overwhelming financial burdens of the country, see in a proper Dominion contribution to the cost of the navy some measure of relief to the British taxpayer, and one which seems equitable and fair. They see, from their point of view, Canada accepting the protection of the British Navy without any adequate contribution to its cost. Particularly does this seem to them to be wholly unfair at a time when we are demanding, and obtaining, some share in deciding the course of the Empire's foreign policy. If, they think, we are to have partial control of foreign policy, then we should accept partial responsibility for the cost of the instrument which makes that policy respected throughout the world—the British Navy. This general argument, to an Englishman, seems obvious, and, although he would not say so, its non-acceptance by Canada does, of necessity, indicate to him a mean and ungenerous spirit in our Canadian people.

We, in Canada, know this attitude and do not like the implied indication of meanness. We know that there is a great deal more to the matter than is included in this rather superficial argument, and we feel a resentment against what seems to be a lack of confidence in the sincerity of our Imperial loyalty. Instead of discussing the matter, then, we are inclined to let it drift hoping that the future will bring our differing views somewhat closer together.

To-day, in Canada, no public man of any weight, and no political party, publicly advocates an increase in naval expenditure, either for local naval defence, or by means of some suitable measure of contribution to Britain's navy, and there seems little probability of any change in this attitude within any appreciable time. Sometimes there are put forward arguments seeming to justify this condition, but they are of a type which seem unsound, and appear more in the nature of weak excuses than anything else. And when excuses are tendered, it is an admission of failure to do something which should have been done. There is no need of any excuse for Canada in this matter of defence, since our stand can be justified by sound and cogent reasons. But, before suggesting the nature of these reasons, it will be as well first to outline, and dismiss, some of these excuses which parade at times as arguments.

The first of these is the argument that the preferential tariff in force in the Dominions constitutes an indirect contribution to Imperial defence. It is difficult to see how the statement can be substantiated. The preference was not initiated with any

such object in mind at all, is not maintained for any such reason, and is defended and attacked by political parties in much the same manner as is the general tariff. The preference is a voluntary and free expression of the people of the Dominions to further Imperial trade, and any attempt to hide behind that action and claim it to be a contribution to Imperial defence, is quite untrue and insincere. A similar falseness is inherent in the argument that Canada contributes to Imperial defence by opening and maintaining lines of communication across the continent at her expense. That these lines are valuable strategic lines from a military viewpoint is probably true, but we are entitled to no credit for their establishment for that purpose, since they were built by us for the one and only reason of promoting the development of the country, and our own prosperity. Neither of these things are a conscious contribution of the people of Canada to Imperial defence, and they cannot honourably be claimed as such.

But there is an analagous falsity, too, in another argument, one used by the proponents of a Canadian contribution to Empire defence. It is that based upon the need for gratitude, for appreciation of the great part Britain has played in the upbuilding of the country. The Dominion, now, so runs the argument, might well make some return in the way of contribution to defence. It is hard to appreciate this argument which deposes our sense and feeling of gratitude from the high place that it should have, and treats it as something which has a place upon a trader's balance sheet. If our contribution

to Empire defence can be justified on no other grounds but this, that we should pay in cash for the care and protection afforded us by our parent State when we were young, then there is no sufficient ground for such contribution. If we accepted the argument, should we not also, think you, contribute something proportionately to the French navy because it cannot be gainsaid that France also has contributed substantially to our early development? Is there any difference in principle between the cases? We refuse to have our measure of gratitude interpreted for us on any such low grounds, and we will in the future, as in the past, be the sole judge of wherein our real sense of gratitude can be discharged. We can perhaps best answer that argument in the words of one of our own poets, Wilfred Campbell,

Yet every Briton who knows thy blood in him  
In that dread hour will marshal to thy side;  
And if thou crumblest earth's whole frame will groan,  
God help the world, thou wilt not sink alone!

We will have opportunity in the future, as we have had in the recent past, to prove that a lively and ardent sense of duty and gratitude is not absent from our national character. But it is not our way, or our desire, to indicate such things by money contributions for defence or for any other purpose. We will not desecrate our feelings and our principles by the acceptance of such an argument.

The truth of the matter is not to be found in these paths. It lies, rather, in the differing conceptions of Empire and the responsibilities of Empire held by the peoples in Britain and in Canada. We

Canadians look upon Britain and the responsibilities of Empire in such a way that it is not inconsistent to demand the right of partial control of Empire policy whilst refraining from contributing to the cost of Empire defence. We see the navy as the contribution which Britain makes to the defence of the Empire somewhat analagous to that made by Canada in the construction of transcontinental railways, as an expenditure which would have to be made regardless of the existence of the self-governing nations within the Commonwealth.

For we make a distinction, and it is one which has been accepted by British spokesmen on many occasions and one in which the British seem to believe, between the British Commonwealth of Nations and the British Empire. The former consists of six self-governing nations and is much more, now, in the nature of an alliance than an empire in the older sense. Some of these nations, like Australia and Great Britain, have colonies. The colonies and possessions of Great Britain, regarded simply as one of the partner nations of the Commonwealth, form the British Empire, and the responsibility for this Empire is Britain's, and is not, of right, or duty, or necessity, a part of the responsibility of the other nations of the Commonwealth. Canada has vast undeveloped territories within its boundaries, for the development of which it will be necessary to expend all the available energy which it can collect. That undeveloped territory is, for Canada, what India and the rest of the dependencies are for Britain, and we can at present feel no responsibility for the duties of Empire which

Britain has taken upon her shoulders, heavily burdened as they are. We have responsibilities here at home quite sufficient for our present powers.

In this view, the British Navy exists for the protection of Britain's interests and of the interests of that portion of the Empire for which she has responsibility. She has in the past taken upon herself that responsibility and the very strength of her character is that she never flinches from the burdens which duty and honour have placed upon her. Neither will Canada, following in her footsteps, shrink from such burdens in the future when truly it realizes their incidence.

The British Navy exists, primarily, as has been indicated, for the protection of Britain's trade, and that of India, and the colonies for which Britain has responsibility. That it protects Canada's trade also is no more pertinent to the argument than is the fact that it protects also the trade of Belgium, or Sweden, or Denmark, to almost as great a degree. Britain protects the trade of all the weaker nations because she has been forced by the nature of her Empire to perform the high and necessary function of policing the seas, a function vital to the people of Britain and one which they would discharge regardless of the existence of Canada and the other self-governing nations within the Commonwealth.

The fact is that the nations of the Commonwealth, including Britain, make such contributions to defence as their situation and foreign relations demand, and the necessities for such defence are present in varying degree in the different British nations. The United Kingdom has many obvious



reasons for strong naval defence of herself and her dependencies. Australia has some reasons similar to those of Britain, and it does, therefore, something substantial, in the way of her own naval defence, in co-operation with Britain for the sake of greater efficiency. Canada, on the other hand, has perhaps less need of protection than any other nation in the world. In a strategic sense, it is located more safely than other nations. Against maritime attack, it is hardly open except upon widely separated coasts which could readily be defended by a few mine-layers, and some coastal defence works. We are far away from any country which would attack us by sea, and such a country if it did so attack, would find it almost impossible to create and sustain a base of operations so far from its source of supplies.

Against possible attack from the United States these arguments do not apply but, in such an improbable event, neither would the British Navy be of any great assistance to us, since the attack would be made inevitably by land against our national capital and against the industrial centres of Ontario and Quebec. We do not anticipate that as a possible happening now or at any future time, but even in the unlikely event of its occurrence, we could not depend upon the Navy for direct assistance. Our defence against the States is a much more subtle one than the provision of armaments.

We have, too, and we must admit it even if we do not like it, security against attack from outside America, by reason of the very existence of the United States besides us. We are bound to that country by so many ties, and our situations here

together on the continent are so important, that any menace to us is a menace to her, and, too, any country menacing the States menaces us also. There could be no question of neutrality if the existence of either country were at stake. We have no wish to depend upon the power of our neighbours, but we must take cognizance of all factors relating to the necessity for the defence of the country.

It is not implied in any way that Canada would be found ranged beside the States in all troubles it may have with the outside world. We would most strenuously be against it in any quarrel it might develop against Britain. But it is because, knowing both, we believe sincerely that the future can bring no differences between them of so serious a nature as to cause war, that our policy of defence, if it can be called a policy, ignores such a possibility. The future must see a continuous growth of friendship and co-operation between the two great Anglo-Saxon nations and our external policy must be directed to this end.

Such, briefly, outlines why we Canadians are not prone to accept responsibility for the Empire's defence. It is, in short, that we believe the Navy to exist primarily for the defence of Britain and her dependencies, and that it would so exist regardless of the necessities of Canada, which are, in fact, practically negligible so far as naval or military defence is concerned.

While we may, therefore, soundly claim that the Navy is no basic concern of ours, yet we are nevertheless consistent in asking for a voice in the determination of British foreign policy, because that

policy is one which places responsibilities upon every nation in the Commonwealth. When Britain is at war, we are at war, and there is no release from that fact. King George can not be at war in regard to one part of his Commonwealth and not in another. The minute Britain is at war in any part of the world, we cannot be neutral, unless we so declare ourselves to be. And the day we so declare ourselves, we declare our independence, which is an action quite beyond the range of present possibilities.

This brings us to the discussion of the very involved state of our opinions and our feelings in regard to the foreign policy of the Commonwealth, and our measure of responsibility for it and control over it. In this question is involved decisions as to what should be the present and future organization of the Commonwealth, and the Empire, and the relations between its component parts. If, as a result of Britain's foreign policy, we are likely to find ourselves in a state of war at some future date, then, because of that possibility, we are entitled to some degree of control of that policy, however it may be arranged.

Canadian policy in the past, as at present, has been a policy of drift. We are prone to allow time to solve as many of the difficulties which face us in this connection as is possible, and we have an inherent dislike of definite committal in the matter.

We were brought face to face with the question, however, and the need for discussion and some kind of decision became more apparent, when Britain signed the pact of Locarno, in which it

undertook definite obligations, under certain conditions, to fight to defend existing boundaries in Europe. A clause in the pact left each Dominion free from any responsibility under it unless and until that Dominion definitely undertook it of its own volition. To the present, none of the Dominions have ratified the pact, and none are now likely to do so.

But it was notable in that it was the first occasion in which Britain has signed a treaty undertaking obligations and definitely stipulating that the signature had no force in regard to the Dominions. That is an interesting step in the growth of Imperial relations, but it does not solve the problem of the nature of these relations. If, under the pact, Britain found itself at war with any European nation, Canada would also be at war, regardless of the existence of any such clause in the pact. Canadian interests in that country would be seized and Canadians there interned just as Englishmen would be. So that the mere exclusion of responsibility of the Dominions in such a treaty as that of Locarno, in reality, in its relations to the rest of the world, means nothing.

Under present conditions, as has been said, we are at war when Britain is at war, and, to that extent we are vitally concerned with the course of British foreign policy. There must be some such development of the Commonwealth whereby the Dominions receive some measure of control over the policy of the partnership, since, inevitably, they must hazard the risks of that policy. And it is not because they fear to hazard such risks, or that they

would not desire to help Britain in any war in which it may engage, but in the knowledge that if Canada had had a share in the control of the policy which led to the war, we would be in so much the better position to help the Motherland with the utmost of our power. It would be, obviously, Canada's fight, then, as much as Britain's, and any effort which we might make would not then be weakened by possible internal dissension based upon the argument that we had had no say in the causes of the war. An arrangement by which the Dominions obtain some control of foreign policy is an arrangement by which they become the allies of Britain in protecting such a policy. That is a better arrangement, surely, than the present nebulous and indefinite one.

What the internal development of the Commonwealth should be is not a matter in which there is any clear understanding in this country of ours. There are three rather vague schools of thought in the matter, no one of which has as yet succeeded in dominating an indifferent citizenship, indifferent chiefly since it realizes the complexities of the situation, and does not care to face them.

What has been called the Nationalist school sees the development of Empire, more and more, in a manner which emphasizes the national traits of its members. Each member in its opinion should look after its own internal and external affairs, only being under the necessity of keeping the other British nations informed as to what it is doing, in case their interests lie along the same road. Each nation would control itself and its destinies and the

Commonwealth would become little more than a friendly alliance of nations, owning allegiance to the same King. Under this school, if all partner nations are to have the responsibilities of warfare when the King is at war, and if all are to have an equal say in the policy of the partnership, then all must have an equal right to commit the partnership to war. Logically, under it, Australia, for example, could declare war on behalf of the Commonwealth as readily as could Britain. It would become an alliance of closely bound nations and little else, and it is a condition which, whatever the future may bring, is not fully practicable at present.

The Federalist school is also insistent upon the national status of the Dominions but wishes to see some more definite growth of Imperial control. They have in the past declared the advisability of an Imperial Parliament, with representatives from all the Commonwealths, and although this has been discarded as an impracticable and undesired plan, yet they would perhaps wish to see in operation some plan whereby the British Foreign Office would reflect the policy of all the Commonwealth. They think that definite steps towards definite cohesion are the necessary steps but are prone to underestimate the difficulties created by the differing interests of the members of the Commonwealth.

Between these extremes comes what has been called the Regionalist school, which utilizes the British *flair* for compromise, and it is the one to which most Canadians seem to adhere whether they realize it or not. It insists upon freedom of action in domestic affairs, even when that entails relations



with other nations outside the Commonwealth. Accordingly, it sees nothing inconsistent with the Commonwealth partnership in the sending by Canada of a Minister to Washington to deal with affairs which are the common concern of the two countries and which do not concern the other members of the Commonwealth. In regard to matters of common Imperial interests it sees the necessity and advisability of a common policy and a common front to the rest of the world. It does not consider European matters as, necessarily, matters of Imperial interest, but rather as ones which concern Britain alone, as one of the partners of the Commonwealth, and this accounts for the lack of desire to ratify Locarno. Apart from these general impressions, the Regionalists have no general policies but prefer to meet contingencies as they arise and to allow precedent to create the ties which are to bind the partners together in a manner not unlike to that in which the unwritten British constitution was created, which, according to Edmund Burke, "infused through the mighty mass, pervades, feeds, unites, invigorates, vivifies every part of the Empire, even down to the minutest member."

Canadians must think of these things, and of the whole subject of their relations to the Empire. Unfortunately, they have little leadership in the matter from the people to whom they look for leadership, and that is accountable for the great lack of definite opinion on the subject. There can be little growth in the cohesion of the Commonwealth until each of its constituent parts knows

its own mind on the subject, and knows the road it wishes to take to the future. Public discussion can do nothing but good and it should be made as general as it can be made, and the question attacked with all the seriousness which it deserves.

We have one guide in the development of our partnership relations within the Commonwealth which may be taken to be a sure guide, and it is this. We British nations have no regard for domination, but all sincerely desire the rule of peace in this world. The League of Nations being the only international attempt yet made to ensure that much-to-be-desired peace, the combined force of all the nations of the Commonwealth at all times should be thrown behind it. So long as we each keep our policy and our spirit in line with the policy and spirit of the League, then will we find ourselves walking along the same road, and we will be promoting that Imperial cohesion which is so much to be desired.

Now although there has been indicated what is seemingly true that on the ground of necessity Canada need not contribute to the upkeep of the Navy, that there is no responsibility on us to do so because of our relation with Britain, and that we should not consider doing so merely upon the ground for gratitude for past favours since no money contribution could adequately make even an incomplete repayment, yet there is a larger ground upon which Canada might well accept the privilege which may be ours of assisting Britain and Britain's Empire in the upkeep of its necessary system of defence. Britain has ever held a generous view of her respon-

sibilities to mankind at large, and she holds that view to-day no less diminished than of yore. She has burdened herself with responsibilities for the protection and development of untutored peoples who would live in chaos without her beneficent hand. Britain has seen, as a nation, what every man worth his salt sees as an individual, that in service to mankind lies the only true road to progress and to happiness.

We Canadians may have the privilege of fighting alongside Britain in the battles for the welfare of the unfortunate peoples of this world, for their protection and their chance of advancement. It is work to which we, as a young and fortunate nation, should give ourself, and in no way could we do more than by doing what we could to ease the burdens on that Motherland of ours which leads the fight. Here is solid ground upon which to formulate proposals for a Canadian contribution to that instrument of Empire and of civilization, the British Navy, which will in the future, as it has in the past, protect the weak and powerless peoples of the world against oppression. On this wide ground, we should be glad to help; on the other narrow grounds there is no responsibility to help. While we are logical and consistent in withholding our help, we are at the same time suppressing a great opportunity to be of service to the world. Don't, therefore, let us starve our souls to save our purse!

Sir Alfred Mond can sometimes be read to particular advantage.

"Our soldiers from all over the Empire," he has written, "fought shoulder to shoulder. In the beautiful

cemeteries of France many are sleeping side by side. They fought not to divide but to unite. They fought to preserve and perpetuate the heritage that has been created throughout the centuries, the tragic centuries, the suffering centuries of endeavour; a heritage which was consummated with their blood, and which this generation should hand to future generations, more stable, stronger, firmer in its purpose as the greatest civilizing force the world has known."

## CHAPTER FOURTEEN

### THE WHOLE DUTY OF A CANADIAN

*He who did well in war just earns the right  
To begin doing well in peace.*

—Robert Browning.

IT is good to have a pride in one's country, a pride based not upon its material resources, but upon the uprightness, and honour, and integrity of its citizens. That is the pride which we Canadians should feel. We should have much self-confidence, not unmingled with a gentlemanly modesty and a Christian humility, that to us has been given the courage and the ability to build, upon the northern part of this American continent, a nation which will be a force in the world's progress, and one which will do its part in leading the world along the ever-widening path to the broadened civilization which is our goal.

We need to have confidence in ourselves and in the future. Pessimism, or a sense of inferiority, should have no place in us if we are to win the fight which it should be ours to wage so joyously. We must fight our way to nationhood and leadership in the world, not from any desire for vain glory, but only that we may increase our power and our capacity to serve mankind. We cannot fail if we approach the fight in the spirit of those comrades of ours of whom Laurence Binyon wrote,—  
They went with songs to the battle, they were young,  
Straight of limb, true of eye, steady and aglow.  
They were staunch to the end against odds uncounted,  
They fell with their faces to the foe.

We should not boast, nor ever desire to see boastfulness develop as a national trait in Canadians, but it were well for us to feel at times that thrill which comes from the realization that we belong to a race the equal in mental and spiritual capacity of any under the sun. It is true, and we do not have to take only our own evidence in the matter. Here are two quotations, one from an English source, and the other from an American source, which indicate truly what men of insight in other nations think of the Canadian character, and its potentialities.

The first is interesting particularly in that it is the opinion of one of the former Governors-General of Canada, given many years after he had left the country, and after he had given up all official connections. It is expressed by the famous author and journalist, Harold Begbie, who writes:

In the last days of his life, Earl Grey spoke to me of Canada. He said that he believed in Canadians, because they were Northmen. "We are Northernmost America," he said to me years ago in Quebec, "The Scotland of the New World!" And now at the end of his days, the same proud reason inspired his faith. He told me that Canada scored over the United States in this respect, "Canada has the finer climate," he said, "and almost all her settlers come from the north of Europe. America gets most of the southern immigration, Canada gets nearly all the northern. The southern races are splendid in their own way; they have a genius which is of the highest service to the progress of the race; but the men of the north are the greatest builders of life, the boldest explorers, the most lasting of all the peoples. Canada will become one of the greatest countries of the world. She will have more stamina in her to fight the destructive influences of



wealth and luxury. She will live hard because she finds a higher pleasure, a higher satisfaction of soul and body in living hard, she will prosper, prospering she will keep her soul. I love the Canadians. I love their country. Through them will come the federation of the Empire, and afterwards the federation of the English-speaking races, the greatest consummation of all. How gallantly she is taking her part in the salvation of democracy!"

The other is from an editorial in the *Christian Science Monitor*, a daily paper published in Boston, which has won for itself a reputation for soundness and integrity which has made its influence felt far beyond the scope of the adherents of that religion in the interest of which it was founded. Some months ago, it published a special Canadian edition which for size and completeness has hardly been equalled on the continent. In the first editorial carried by this edition, the editors had this to say of Canada, under the title of "Canada's Chief Asset and Foremost Product":

Canada is justly proud of its immense resources of forest and fertile field, of mine, and water power. But of their greatest asset Canadians are characteristically voiceless. It is not something drawn from the earth. It has sprung rather from an inherent consciousness in the people of the value of the "things that are unseen." The Dominion's greatest resource is character. Set down anywhere on the globe, a people of such integrity, courage, open mind and friendliness would have made a notable place for themselves; endowed with the unmeasured wealth of Canada, they will make their land one of the earth's chosen places. . . . Whatever its varied problems of geography, population, race, pioneering or the like—and every nation has its imposing questions—Canada faces them with sturdy boldness. Its resources of character and continent are such as to

challenge difficulties. As the years roll on, Canada's chiefest product may well be recognized as neither gold, nor wood, nor wheat—but men.

In Canada, we face the future, and face it confidently. It will have many problems for us, some of which have been indicated in this book. If we face them in the spirit in which our forefathers faced even greater difficulties, we will be as successful in finding our solutions as they were in finding theirs. The future will be exactly what we make it, and if we carry on, not with eyes fixed upon the material advantages which we may acquire on the way, but upon the great goal of a mighty, and united, and proud country taking its place amongst the leaders of the world, then we will not fail ourselves or our children. The right motive in action is the essential thing, so that if we allow our soul to develop at the time when we are filling our purses, we are bound to do good work for the world and for ourselves.

Having a goal, an ideal before us to the accomplishment of which we can dedicate our work, then must we also have a guide to keep us upon the way. For myself, I have tried to work out the principles which can best direct my small course in Canadian affairs, and I have tried to indicate them in this book. From them, for my guidance, I make up a course of action which is given for what it is worth, and which seems to me to constitute, at present,

### *The whole duty of a Canadian*

(1) To nourish, in all things, that spirit that is Canada, that spirit which moved our forefathers to great exertions, and which was the inspiration of

our war-time comrades who gave their lives that Canada might be free.

(2) To see that the great material resources of Canada are developed without extravagance, in such a way as to contribute to the largest extent possible to the welfare and prosperity of the country, remembering, however, that the future greatness of Canada is assured, not by such developments, but by the promotion of the virtues of energy and intelligence, ability and honesty, in all our people.

(3) To see and judge all our sectional problems in the light of their incidence upon the promotion of a national unity, and to place the encouragement of such unity in the forefront of all our policies.

(4) To insist that the political parties of the nation return to the due observance of those principles upon which they are supposed to rest, and, until they do so, to maintain an independence of judgment regardless of the demand for party loyalty, in the realization that when partisanship becomes an end in itself it no longer justifies its existence.

(5) To wage incessant and effectual warfare upon the twin curses of party politics, which are inherent in the bribery of communities by partisan promises of public works, and in the secret donations to party funds by individuals and groups seeking to dominate the policies of the party when in power, when there should be no other motive for the adoption of policy than the common welfare of the citizenry.

(6) To encourage the co-operation of all parties, and all interests, to effect a scientific revision of the tariff, on the basis of something about the rate

which now pertains, with a view to placing in force rates bearing some relation to real industrial necessity, and of establishing them for a period of years.

(7) Along with such a revision, to encourage the increase in the rate of British Preference, whenever possible, with the definite policy in view of adopting in the future practical Free Trade within the Commonwealth and the Empire, at any such time as Britain will consent to confine her free trade principles to the Commonwealth and the Empire, and to show a common economic front to the rest of the world.

(8) Co-relating with this policy for the development of Imperial trade, and only in keeping with the rate of increase in the British Preference, to increase the rate of tariff against the United States until it more nearly approaches that which they have enforced against us.

(9) To quietly investigate, and to take whatever action may prove advisable, the real relation of our banking system to the welfare of the people, with special regard to its monopolistic power in the control of credit.

(10) To urge the necessity of Senate reform by some method which will stop appointments being made solely as rewards for party services, and ensure the appointment of the worthy men of the country.

(11) To watch with interest and sympathy the growth in financial soundness of the Canadian National Railway System, as of the Canadian Pacific as well, and to strenuously oppose any and all endeavours to have the National system pass under any measure of political control.

(12) To know something of the national finances, and so to judge the efficiency of any Government according to the balance sheet it produces, and to the fairness and efficiency of the taxing system by which it raises essential revenue.

(13) In the knowledge of the absolute necessity of increased population to the solution of our many problems, to demand a bold, and new attack upon the problem of immigration, holding each Government responsible solely under the test of results achieved.

(14) To decide, once and for all, that the distress of unemployment must not exist in Canada, and so to demand that every possible step be taken by the co-operation of all authorities, to prevent its occurrence in as great a degree as in the past, and to efficiently relieve its distresses.

(15) While secure in our confidence of the solidity of national consciousness, to combat, as a retarding force in its promotion, all those influences which are exerted upon our people because of the proximity of the United States, by making sure that our people appreciate the weaknesses which have developed in their civilization, and the strengths of the British mode of life.

(16) To discuss and decide the proper relations which should exist between the partner nations of the British Commonwealth, and to take all such steps as are consistent with our privileges of self-government to promote the cohesion of the Commonwealth.

(17) As our high privilege, and as a token for our

deep gratitude for the many mercies past and presently vouchsafed to us, to take unto ourselves some part of the burden of Britain, in the work of the protection of the weak of this world, and in the service of mankind, in the knowledge that by such a voluntary assumption on our part, we will be taking the right road to national progress and contentment.

It is a glorious path along which our duty leads us, and it is to our youth that the call must come most clearly, and most insistently. Our youth must feel the call to this work as Disraeli felt the call when he was young. "We live," he wrote, "in an age when to be young and to be indifferent can no longer be synonymous. We must prepare for the coming hour. The claims of the future are represented by suffering millions and the youth of a nation are the trustees of posterity."

It is to the young men of Canada that we must look for leadership, and they will be enabled to lead us aright only in the possession of that moral background without which no leader has ever achieved great things.

I have no desire to preach, but I do face this fact, and our young men must also face it, if they are to lead us. They must know that no sound leadership can come from them except in so far as it is sympathetic to, and in harmony with, the deep basic Christianity of our people. None of our serious problems can be solved in any way antagonistic to the principles of the Man of Nazareth. I say that here, not as a churchman, or as a theologian, but in simple recognition of the fact that it is of the essence of good politics and true statemanship.



The fight will not be easy, but that makes the victory all the sweeter when once it is attained. More often than not it will have to be fought out in the ranks of the minority, with many diverse and powerful interests battling on the other side, but then there is the consolation that the minority, when right, always win in the end. "One wise man is stronger than all the unwise."

Our youth must know that work is the only touch stone which will bring them success in their efforts, work first in their investigations when they are finding their own minds, work then in their teaching and in their proselytizing. And they should remember that work done with enthusiasm is twice done. Enthusiasm is contagious and will make us all work together for Canada.

Be enthusiastic, then, of Canada, and of all things Canadian, of the glorious past which has been crowded in to the few centuries of our history, of the spirit of the men who created that history, and of our all-but-inevitably glorious future. Of the present, it is not for us who now make up the citizenship to be overly-enthusiastic, for we need to be more conscious of the duty which is ours, of the responsibility which is ours of accepting the heritage of the past, and of so transmitting it that our children's children will be able to say of us, as we say of our forebears, "They were giants in those days!"

We can be enthusiastic without being improvidently optimistic, but enthusiasm cannot breathe the same air as the gloomy pessimism which too often takes hold of some of our citizens. When

I read their morose writings, or listen to their speeches, I would have them ponder this story, which has a moral for all of their kind.

Two men climbed the Pyrenees together. Night came, and with it a great storm, which tore their tent to pieces and flung it down the mountain side. They clung for dear life to mother earth.

"Is this the end of the earth?" asked the timid one.

"No," was the reply, "this is how the day dawns in the Pyrenees!"

What a spirit, that, with which to meet adversity! What an answer to give to our comrades who stress too much the difficulties and dangers which are but the stormy prelude to the dawn of achievement. Difficulties are made to be solved, dangers to be faced and conquered! All our differences, all our sectionalism, all our bickerings are but the accompaniments of the storm. They are but the precursors of the dawn of that day when true Canadianism will triumph in the hearts of all our people, and when Canada will go forth on her journey of destiny for the welfare of all mankind. The lights of that dawn are already in the sky.

So to the young men of Canada, and to all Canadians everywhere, is the summons issued to strive mightily and always for her welfare. For a guide, there can be nothing better than these words of Laurier:

As for you who stand to-day on the threshold of life . . . I shall remind you that many problems rise before you; problems of race divisions, problems of creed differences, problems of economic conflict, problems of national duty and national aspirations. Let

me tell you that for the solution of these problems you have a safe guide, an unfailing light, if you remember that faith is better than doubt, and love better than hate. . . . Banish doubt and hate from your life. Let your souls be ever open to the strong promptings of faith and the gentle influence of brotherly love. Be adamant against the haughty; be gentle and kind to the weak. Let your aim and your purpose, in good report or in ill, in victory or in defeat, be so to live, so to strive, so to serve, as to do your part to raise the standards of life to higher and better spheres.

THE END

## APPENDIX

### SOME STATISTICS

Figures are thought of as uninteresting, and some say that they lie, but it depends altogether upon how they are viewed, and how they are used. In this appendix, the endeavour has been to bring out some salient facts concerning Canada from the multitude of statistics published at Ottawa. Here, at least, the figures are such that they carry much of interest, and, since they have the governmental ear-mark, it is to be presumed that they do not lie.

It is not generally realized to what extent we have already entered into our heritage. In reviewing the first twenty-five years of this twentieth century which is to "belong to Canada," it is amazing to realize the progress which has been made. The following official figures give some indication of that progress, and will repay close scrutiny:

	1901	1925
Population.....	5,371,315	9,364,200
Value of Field Crops.....	\$194,950,000	\$1,153,395,000
Value of Livestock.....	268,851,000	704,287,000
Value of Dairy Products.....	66,471,000	253,269,000
Fisheries.....	25,737,000	44,534,200
Value of Minerals.....	65,798,000	224,846,200
Manufactured Products.....	481,053,000	2,781,165,500
Total External Trade.....	355,362,000	1,865,999,900
Ocean Shipping Tonnage.....	14,543,000	40,981,026
Postal Revenue.....	3,421,000	28,581,993
Customs Revenue.....	28,294,000	108,146,871
Bank Note Circulation.....	50,600,000	165,235,168
Dominion Note Circulation.....	27,899,000	212,681,059
Bank Deposits.....	349,573,000	2,221,160,611
School Attendance.....	1,083,000	2,104,874
Expenditure on Education.....	11,045,000	119,484,033
Life Assurance at Risk.....	463,769,000	4,159,000,000

The percentage increase in all the above items is very large, and much greater than the proportionate increase in population, even after taking into consideration the smaller comparative money value of to-day as with 1901.

The total value of the primary products, Field Crops, Livestock, Dairy Products, Fisheries, and Minerals, in 1901 was about \$584,871,000, while at the end of the first quarter century a total of no less than \$2,380,331,000 had been reached, an increase of over 240 per cent., during a period when the population of the country did not double itself.

The tremendous similar increase shown in the value of manufactured products is a twin indication of the great strides made. The size of the figures shown for manufactures is accounted for in some degree, by including in them the value of such articles as lumber, pulp-wood, and other partially manufactured primary products. But the same system was followed for both years so that the comparison is a sound one.

A particularly pleasing feature shown in the table above, and one particularly important as indicating the general realization of the importance of preparing the coming generation to be good Canadians, is the tremendous increase in expenditure on Education. There has been a percentage increase in this of over 1,000 per cent., and it is worthy of notice, as showing something of the spirit of the people, that the detailed figures show that nowhere in Canada is niggardliness in educational expenditure tolerated by the citizens.

But with all this great increase in production and

wealth, we have, as yet, only made a start in the utilization of the natural resources which are ours. These resources are not inexhaustible, but they are immense. But the fact that they are immense is no reason that they should be squandered. Their careful development, and their proper conservation, is a duty and responsibility which devolves upon all Canadians, because of their very existence. The part of prodigal extravagance is no honourable part for a nation, as it is not for an individual.

Just where do we stand, nationally, in the matter of untouched, potential resources? Some clear indication of the asset side of our national balance sheet is just as essential for our future guidance, as is the realization and acceptance of the great liabilities which, in the past, we have built up for ourselves.

#### THE PEOPLE

It is with a purpose that this is made the first item on the asset side of our national balance sheet, and that purpose is to stress the fact that the character, and racial make-up of the Canadian people is the greatest asset which they possess. Why that is so is indicated in certain figures which can be quoted from the census returns.

We have in Canada a census taken by the Dominion Government every ten years since Confederation. We had, of course, much counting of our population before that date, and it is an interesting fact that to Canada belongs the credit of taking the first census of modern times. It was taken in 1665 and covered the area of the colony of New France.



This table following shows the general result of each census since Confederation:

Census Year	Total population	Increase during decade:	
		Actual	Per centum
1871.....	3,689,257	.....	.....
1881.....	4,324,810	635,553	17.23
1891.....	4,833,239	508,429	11.76
1901.....	5,371,315	538,076	11.13
1911.....	7,206,643	1,835,328	34.17
1921.....	8,788,483	1,581,840	21.95

Particularly noticeable is the great percentage increase in population during the first twenty years of the century. During this time the population increased by almost 64 per cent., and that is a rate of increase unparalleled in any other instance, anywhere. The slackening in the last decade, of course, is readily accounted for by the disturbance caused by the war.

We have a strong tendency to look altogether to immigration for substantial increases in the population of Canada. This overlooks the very important factor of natural increase, caused by the excess of births over deaths. This is important not only from the point of view of actual numerical increase in population, but even more so from the fact that all such additions are birthright Canadians, and, as such, are of the maximum value and usefulness to the country. The influence of both factors is indicated in the following statement:

Population, 1911.....	7,206,643
Estimated natural increase (1911-1921) ..	1,150,659
Immigration (1911-1921).....	1,728,921

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10,086,223

Which would have been the population of Canada in 1921 if 1,297,749 people had not left the country during the decade, leaving 8,788,483 as the population in 1921.

10,086,223

1,297,740

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8,788,483

The total shown for those who have left the country is abnormal because, in it are included 60,000 Canadians who lost their lives in the war, and many others which the war took away from Canada permanently.

This matter of the natural increase in population is more important, even, than appears in this table, where it is indicated superficially that the greater increase is by immigration. But this is not true now, since we are not getting as many immigrants, and a considerable proportion come merely to leave again at the first opportunity. The Bureau of Statistics at Ottawa calculate that the present natural increase in population is about 150,000 yearly. The net gain by immigration is at present much lower than this, since, for example, from the figure of total immigration for the year 1924, which was 148,560, must be taken the substantial number of recent arrivals who emigrated during the year. It is safe, I think, to conclude that the increase of native-born Canadians is considerably more than the increase of aliens at the present time.

The preponderance of native-born Canadians in Canada is an important factor in the development of the country. How great this preponderance is, is not sufficiently realized, since it has its bearing upon nearly all the national problems. The 1921 census gave us some information in this regard:

	Number	Per cent. of total
Canadian-born.....	6,832,747	77.75
British-born.....	1,065,454	12.12
Born in United States.....	374,024	4.25
Born in other countries.....	516,258	5.88

What interesting figures are these! Almost ninety

per cent. of the present population of Canada was born under the British flag, and three out of every four were born in Canada itself.

That doesn't tell the whole story of how our population is made up, because many there listed as Canadian-born were born of alien parents, and it is difficult to say to what extent their children have become assimilated. But we can study the racial origins of present Canadians and still have ground for pride and optimism. The same 1921 census gave us information as to the original origin of present-day Canadians:

ORIGIN	Number	Per cent. of total
British:		
English.....	2,545,496	28.96
Irish.....	1,107,817	12.61
Scotch.....	1,173,637	13.35
Other.....	41,953	0.48
Total.....	4,868,903	55.40
French.....	2,452,751	27.91
Total.....	7,321,654	83.31
Austrian.....	107,671	1.23
Dutch.....	117,506	1.34
German.....	294,636	3.35
Hebrew.....	126,196	1.44
Canadian Indians.....	110,814	1.26
Russian.....	100,064	1.14
Scandinavian.....	167,359	1.90
Total.....	8,345,900	94.97
Twenty other groups each under 100,000..	442,583	5.03
Total population.....	8,788,483	100.00

Here's cause, then, for real pride! Over eighty-three per cent. of our population are of British or French origin, and, so far as Canadianism is concerned, the French-Canadian can be counted every

whit as fine a citizen as the British-Canadian. He has proven himself so.

So that, from the two tables given, we know, and in our planning for the future, we must use these facts, that almost ninety per cent. of our present population was born within the Empire, and that, having regard to the original origin of their ancestors, only something over sixteen per cent. are descendants from people born in alien countries. The ancient ancestors of the French-Canadians are technically aliens, but the *habitant* has had his roots in Canada for so long, and they have grown so deep, that he is the one now most entitled to call himself a Canadian.

In the past Canada has owed its wonderful development to men chiefly of British stock who were not native-born Canadians. But the necessity for that condition has gone. In the future, and for all time to come, it is on the Canadian-born that we must rely to provide leadership and to control our destinies. Nor have we any reason to fear the outcome, we know that the race which is being formed within our boundaries will be enabled to produce leaders from its own stock, worthy of the men who pioneered, and worthy of the opportunities with which fate has been, and will continue to be, so prodigal.

There is yet another phase of the census figures which is of use in the consideration of the sectional problems within the Dominion. We need to know how our population is divided across the land, between the Atlantic and the Pacific. This following table will tell us:

Provinces	Popula- tion	British origin	French origin
Prince Edward Island.....	88,615	75,627	11,971
Nova Scotia.....	523,837	407,618	56,619
New Brunswick.....	387,876	253,002	121,111
Quebec.....	2,361,109	357,108	1,889,277
Ontario.....	2,933,662	2,282,015	248,275
Manitoba.....	610,118	350,992	40,638
Saskatchewan.....	757,510	400,416	42,152
Alberta.....	588,454	351,820	30,913
British Columbia.....	524,582	387,513	11,246
Yukon.....	4,157	1,847	284
N.W. Territories.....	7,988	473	258

It is obvious that the chief cause of unequal distribution of population is in natural consequence to the fact that some of the Provinces have been settled for three centuries, and others for scarcely more than three decades. It is this unevenness of settlement, and the paucity of settlement over great areas, which is at the bottom of many of our national difficulties.

#### TOTAL PRODUCTION AND LABOR DISTRIBUTION

Before we proceed with our list of national assets, having already dealt with that asset which the country has in its people, there are two general factors the investigation of which provide information extremely valuable in a study of national problems. They give the necessary sense of proportion by which we are able to see conditions from a national viewpoint.

The first of these is concerned with the total production of commodities in Canada. What do our people work at, and what do they produce? In one section for example, nothing but wheat is grown, in another there is no other interest but that of manufacturing, in another all the people are producing lumber. Can we get a broad view of what

the total effort of all Canadians produces? If we can, we should be able to put the proper national value on the different occupations.

It is difficult to make such a survey so as to be fairly accurate and free from overlapping. But it has been done officially at Ottawa, and the *Canada Year Book* is the authority for the following table:

SUMMARIES BY INDUSTRIES OF THE VALUE OF NET  
PRODUCTION IN THE YEAR 1923

Agriculture.....	\$1,107,571,858
Forestry.....	313,748,937
Fisheries.....	42,565,545
Trapping.....	16,164,559
Mining.....	214,079,331
Electric Power.....	67,496,893
<hr/>	
Total Primary Production.....	\$1,761,627,123
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Construction.....	\$ 212,155,020
Custom and Repair.....	58,053,266
Manufactures.....	1,311,025,375
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Total Secondary Production.....	\$1,581,233,661
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GRAND TOTAL PRODUCTION.....	\$3,051,456,821

All the figures given are those of "net" production which represents the value left in the producers' hands after the elimination of the value of the materials consumed in the production process.

It is valuable, too, in this connection, to note the different productive power of the different Provinces. This table below gives the percentage which each Province contributed to the total production in 1923. It would be found interesting to compare these percentages to the percentage of the total population resident in each Province, and so to arrive at an idea of the comparative per capita productive capacity of the different Provinces.



## Percentages of Total Production by Provinces, 1923

Ontario.....	39.7
Quebec.....	24.3
Saskatchewan.....	9.2
British Columbia.....	7.6
Alberta.....	7.9
Manitoba.....	4.1
Nova Scotia.....	3.7
New Brunswick.....	2.7
Prince Edward Island.....	.6
Yukon.....	.2

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 100.0

Whenever any national question arises which affects the welfare of any one of the great industries of Canada, a knowledge of the productive capacity of that industry as compared with the total, and with other industries, is essential before any just and equitable solution can be arranged. No policy which ignores the importance of any one of the great industries shown, can possibly be a sound national policy.

The other factor, which, for similar reasons, should be known, does not deal with the money value of the commodities produced, but with the number of Canadians employed in their production. It is important to know how Canadians find work to do, and the utility of the different industries in providing work. So we have now to deal with the occupations of the people. In this table below, the term worker includes, not only those who labour with their hands, but all who are supported by the industry concerned in whatever capacity, so long as they contribute to its success by their work.

WORKERS ENGAGED IN INDUSTRIES. 911  
(Not available for 1921 census)

Industry	Number	Per cent. of total
Agriculture.....	933,735	34.3
Building Trades.....	246,201	9.0
Domestic and Personal Service.....	214,012	7.8
Civil and Municipal Government.....	76,604	2.8
Fishing and Hunting.....	34,812	1.3
Forestry.....	42,914	1.6
Manufactures.....	491,342	18.0
Mining.....	62,767	2.3
Professional.....	120,616	4.5
Trade and Merchandising.....	283,087	10.4
Transportation.....	217,544	8.0
Total.....	2,723,634	100.0

Here, we can see the number of Canadians who are directly engaged in agriculture, for example, as compared with the number which the manufacturing establishments support. The table can be studied with benefit, and it has been referred to above in some of our discussions on national questions.

#### OUR RESOURCES IN AGRICULTURAL LAND

It has often somewhat loosely been said that Canada is "the granary of the world." Sanguine statements of all kinds have been made. Here is one from a book by J. Russell Smith, "The World's Food Resources," published in 1919.

Canada with a population about equal to Belgium has in the east a large area as little used as is the adjacent part of the United States; and the vast plains west of Winnipeg contain several hundred million acres of fertile lands which would support scores, if not hundreds of millions of people if tilled like similar plains in Germany, Denmark, or Northern Japan.

Another eminent writer, Edward M. East, in "Mankind at the Cross-Roads," published in 1923, estimates the potential arable land in Canada at 150 million acres and says that the Dominion is

capable of supporting a population of sixty millions.

There is, in all Canada, a total land area of 1,401,316,413 acres, of which it is estimated that about a quarter of this amount is available for agricultural use. The figure is an estimate of Ottawa officials, and includes all lands at present in use, for crops or for grazing, and all lands possible of devotion to these purposes. The area at present under cultivation is only a small proportion of the total, being some 67 million acres, or less than a fifth of the area available. Only a little more than a third of the available agricultural land is occupied at all, and it is worthy of notice that all the available land is not located in the Prairie Provinces. The older Provinces have large stretches of arable land still unoccupied, often, indeed, more than that which is occupied. The following table indicates this, and it is quoted here as having an important bearing upon the question of the right location of immigrants.

#### AGRICULTURAL LANDS

Province	Acres occupied	Acres unoccupied
Prince Edward Island.....	1,216,483	41,707
Nova Scotia.....	4,723,550	3,368,450
New Brunswick.....	4,269,560	6,448,440
Quebec.....	17,257,012	26,487,988
Ontario.....	22,628,901	33,821,099
Manitoba.....	14,715,844	9,984,156
Saskatchewan.....	44,022,907	49,435,093
Alberta.....	29,293,053	67,829,947
British Columbia.....	2,860,593	19,757,407
Total.....	140,887,903	217,174,287

In all the Provinces, there are still large areas available for agricultural occupation merely awaiting development. And this development, when it comes, will form the background of Canada's prosperity.

Just how important agriculture is to us, even now, is indicated in the following extract from a publication of the Department of the Interior at Ottawa:

Agriculture is the economic heart of Canada. Among the natural resources of the Dominion arable lands stand unrivalled. It is difficult to appraise adequately the degree to which they are responsible for sustaining the industrial and commercial life of Canada regarded as a whole. Lumbering, mining, and fishing in the sphere of primary production, the secondary industries of manufacture, the essential services rendered by transportation systems and by purely commercial enterprise, all contribute materially to national income and development. But agriculture is the pre-eminent basic activity by which Canada's economic stature and character have been determined. It forms the chief direct means of livelihood, and, moreover, the rural population of the Dominion, constituting both a broad consuming market and a large reservoir of raw materials, is an indirect but vital factor in fostering extensive communities engaged in other phases of primary industry as well as in manufacture and commerce.

This is quoted as truly indicating the great basic importance of agriculture to Canada. It would be well if this had always been remembered in the formulation of governmental policy in the Dominion. It must be remembered in the future.

We have suggested that the extent of occupied agricultural land in Canada is just over a third of that available. To be more precise, it is seen from the table quoted above to be 140,887,903 acres, which is only about ten per cent. of the total land area of the country. Of this occupied land only about half of it is classified as improved, and only a little more than a third is under crop.

In other words only about 52 million acres in Canada are actually under crop whereas there are available an additional 300 million acres or so.

Keeping this in mind, let us look at the value of agricultural products in Canada, in any one year. The returns for 1924 are the latest available, and will serve the purpose as well as any:

ESTIMATED GROSS ANNUAL AGRICULTURAL REVENUE  
FOR YEAR 1924

Prince Edward Island.....	18,364,000
Nova Scotia.....	37,000,000
New Brunswick.....	28,322,000
Quebec.....	241,842,000
Ontario.....	444,208,000
Manitoba.....	161,913,000
Saskatchewan.....	281,992,000
Alberta.....	200,672,000
British Columbia.....	39,005,000
Total.....	1,453,368,000

Information such as this often tends to correct a false sense of proportion which at times develops. We are too prone to think of the western Provinces as the home of agriculture in Canada. As a matter of fact Ontario is shown to lead all the other Provinces, and Ontario and Quebec combined produce much more, in value, than do the three Prairie Provinces together. It is well for potential leaders of Canadian thought to know these things.

As for the potential asset we have in Canada in unoccupied arable land, it is sufficient to point out that we have been able to produce crops with an annual value of \$1,453,368,000, when we have had under crop some 52 million acres, and these even not subjected to intensified production of the European scale. What will we be able to produce what will our annual revenue be from agriculture,

when our 358 million acres of available land is all occupied, and cultivated as it should be?

The past years have shown a fast increasing revenue from agriculture as Canada has been able to place new men on the land. So will also the coming years show still further great increases, as we can place more and more men on the land.

#### FORESTRY

We have three great forest areas in Canada—the great forest of evergreens between the Rocky Mountains and the Pacific Coast, the northern forest stretching from the Yukon south around Hudson Bay to Labrador, and that one which extends, or used to extend, from Lake Huron through southern Ontario and Quebec to the Atlantic Coast.

Estimates have placed the extent of timber lands in Canada at 1,196,000 square miles, of which 478,400 square miles are covered with timber of commercial size. On this, it is estimated that there stood in 1923 some 482 billion feet of timber, and about 1,279 million cords of pulp wood, the stands in Ontario, Quebec and the Atlantic Maritime Provinces making about forty per cent. of the total.

These figures place Canada only second to the United States among the countries of the world in relation to forest resources.

Forest resources are quickly utilizable and easily destroyed. It is said that sixty per cent. of the original forest in Canada has been burned, thirteen per cent. has been cut for use, and twenty-seven per cent. remains standing available for use. We have made progress in fighting and preventing



forest fires, but, notwithstanding what has been done, one-third as much matured timber has been burned in the last six years as has fallen to the axe. The annual consumption of standing timber for use is about 2,400,000,000 cubic feet, whereas fire destroys, at a very low estimate, 800,000,000 cubic feet of merchantable timber, as well as the young growth of 1,300,000 acres.

From all causes, it is estimated that the forests of Canada are being depleted at the rate of some five billion cubic feet a year. This is a tremendous amount, but the main resources are also tremendous, and are always slowly growing. An average annual increment of ten cubic feet an acre would cover the annual depletion from all causes. Particular areas are producing much more than this, and it is for us to see that all our forest lands are so controlled and protected as to produce the necessary annual increment.

With proper care, Canada will have adequate forest resources for generations to come for her own use, and for export. It will be the means of production of much national wealth. But it must have the attention which it deserves as one of our major assets.

#### FURS

We produce in Canada a great proportion of the world's supply of furs. Our large uninhabited northern areas furnish the home for fur-bearing animals and are of such an extent as always to give these animals sufficient sanctuary to multiply and flourish, while the rigorous climate makes necessary to them the growth of skins valuable in commerce.

In addition to fur from the forest animals, the new industry of fur farming has begun to flourish. Fox, mink, racoon, skunk, marten, fisher, beaver, and muskrat are all being raised in captivity successfully.

It is only necessary for our present purpose to point out here the existence of this primary industry, and to indicate its value to the country by recording the fact that the value of its products in 1924 amounted to over sixteen million dollars.

#### FISHERIES

Similarly, with regard to fisheries, it is sufficient here to indicate their existence as a national asset. On the Atlantic, there are fishing grounds along a coast line of more than 5,000 miles, and covering 200,000 square miles. In the inland lakes, there is much valuable fishing, and in British Columbia there has been very rapid development of the fishing industry. Altogether in Canada the total value of the fisheries in 1924 was about 45 million dollars, and we can depend upon at least that revenue annually for many years to come. It will be greatly increased, probably, as we begin to have increased population to increase the demand.

#### MINERALS

Canada's numerous and varied mineral deposits are becoming increasingly important in the list of her assets. The value of the minerals extracted annually has grown from 64 million dollars in 1900 to 228 millions in 1925.

In spite of this vast production, the greater part of the country remains as yet unexplored. Even in the older districts development has been little more than started. The unexplored area is vast, and

since the whole northern shield is of the same geological formation as existing known fields, there is every reason for confidence that the unknown mineral resources will be very great.

Even now, the known resources, and the present output, are very extensive. Canada has one-sixth of the known coal reserves of the world, which is over one-quarter of the total in America. Extensive oil-fields exist in Western Canada which are only becoming known. The nickel deposits at Sudbury alone are as large as all the others in the world, and now produce six-sevenths of the world's supply. Copper deposits in Ontario, and in Manitoba, are substantial. In gold, Canada was, in 1924, the world's third largest producer, and the future will see even this high rating improved. More asbestos is produced in Canada than in any other country, and there are only two other countries in the world which produce more silver.

We have present and potential wealth in great abundance, and the present production is only a promise of the future. But, already, in 1925, the total value of mineral production was over 228 million dollars. In mineral wealth alone we have sufficient resources in Canada to ensure a future of great prosperity.

In this regard, we should do everything that is possible to retain for Canadian interests the opportunities to develop our vast mineral resources. Up to the present we have been able to do very well in initiating development work ourselves. This is indicated in the following table prepared by Mr. Wyatt Malcolm, of the *Geological Survey of Canada*,

in 1921. It gives an estimate of the distribution of securities issued by mining companies.

	Millions of dollars	Per cent.
Held in Canada.....	417	54
Held in Great Britain.....	101	13
Held in United States.....	237	30
Held in other countries.....	19	3
Total.....	774	100

So that we, in Canada, have been able to retain control, so far at least, of our mineral development. There is much in the manner of that development which must be changed, and it is satisfying to see it gradually changing from an era of stock speculation to one of legitimate development. Sincerity and integrity of purpose must accompany all future development if the country is to get the maximum benefit out of the rich deposits.

#### WATER POWERS

We have already gone a good distance here in Canada, and particularly in Ontario, in the utilization of our water powers to develop electricity for industrial and home purposes. But with all that has been done, we are yet at the beginning.

The Department of the Interior has published estimated figures of the available water-power. They estimate that from known water-powers a turbine installation of nearly 42 million horse-power would be available. The present total turbine installations in the Dominion total only about 3,227,000 horse-power, representing only about eight per cent. of the available total.

Already in the development of water power Canada stands high amongst the countries of the

world. In proportion to population, in 1921, Canada utilized 338 horse-power for each thousand of population, as compared with only 90 in the United States. It was excelled only by Norway and Switzerland which used 624 and 395 horse-power respectively. But we have 92 per cent. of our water-power still in reserve, and that augurs well for the industrial growth of the future. When cheap power, and great natural resources, are available side by side, it only needs the necessary population to bring inevitable prosperity.

#### CANADA'S TRADE

The growth of Canada's external trade since Confederation is concisely shown in the following table, all figures representing millions of dollars:

Year	Imports	Exports	Total
1871.....	84.2	57.6	141.8
1881.....	90.5	84.0	174.5
1891.....	111.5	88.7	200.2
1901.....	178.0	177.4	355.4
1911.....	452.7	274.3	727.0
1921.....	1,240.1	1,189.1	2,429.3
1923.....	802.5	931.4	1,733.9
1924.....	893.4	1,058.7	1,951.4
1925.....	796.9	1,081.3	1,878.2

In this table only the imports for home consumption are shown and the exports are of home production. For the last two years shown, it will be seen that the exports exceeded the imports, and there was therefore what is usually considered to be a favourable trade balance. This situation was the main factor in maintaining the purchasing power of the Canadian dollar in the market of the United States. Latterly, it has held itself around par, and it has the distinction of being the only money in the world, since the war, to be quoted at a premium over United States money in New York.

The United States is still Canada's best customer for goods in spite of the Fordney-McCumber tariff which the States put into effect in 1922 and which taxes much of what we would like to export. The following table gives an indication of where we trade.

AGGREGATE TRADE OF CANADA BY COUNTRIES  
(For year ending Mar. 31, 1924)

Country	Imports for consumption	Exports of Canadian produce	Total trade
United Kingdom.....	\$153,613,003	\$360,094,021	\$513,707,024
British Empire (out- side U.K.).....	41,772,629	76,381,698	118,154,327
Total British Empire.	\$195,385,632	\$436,475,719	\$631,861,351
United States.....	601,295,121	439,715,496	1,041,010,617
Other countries.....	90,686,114	177,949,841	274,635,955
Total.....	8893,366,867	81,045,141,056	81,938,507,923

That shows where we trade so far as the Anglo-Saxon world is concerned, and there is cause there for a great deal of thought. Our total trade in the fiscal year shown was very much greater with the United States than with all the British Empire, greater, indeed, than with all the rest of the world. And it is noticeable that so far as the trade with the States is concerned, the balance is quite unfavourable to us. These are facts which affect all our national questions. The great increase of our exports to Great Britain over the amount we import is another factor which requires consideration.

These figures demonstrate the great preponderance of the United Kingdom, and the United States, in the external trade of Canada. During the last fifty years our trade with the Motherland has steadily declined, and that with the States has



steadily increased. Fifty years ago, Canada took from the United Kingdom nearly sixty per cent. of her total imports, while last year she took only eighteen per cent. Now we take nearly seventy per cent. of our imports from the United States.

These are fundamental factors which react on all our problems, and which, indeed, constitute problems in themselves. The subject of Canada's trade is a subject of tremendous possibilities, and one with wide ramifications; as such it is one which must be carefully studied by anyone ambitious to become reasonably conversant with Canadian affairs.

Such a brief summary of the materialistic advantages of Canada, of the asset side of the national balance sheet, must pass over, of necessity, many things of interest and of importance. It should have been made evident at least that the natural resources of the country are varied and abundant. They are, however, only worth as much as the spirit of the people make them.

Sir Henry Rew, K.C.B., in reporting on the Economic Resources of Canada to the British Government, during last year, concluded his report in this way, and it is in line with the fact that should always be emphasized: "In the ultimate analysis all the material elements, however vast and varied, of the wealth of a nation depend for their use and development on the character of its people. The future greatness of Canada is assured not by its natural resources, immense as they are, but by the energy, intelligence, and capacity of the people to whom they are intrusted."









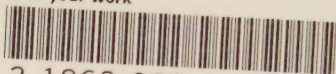






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